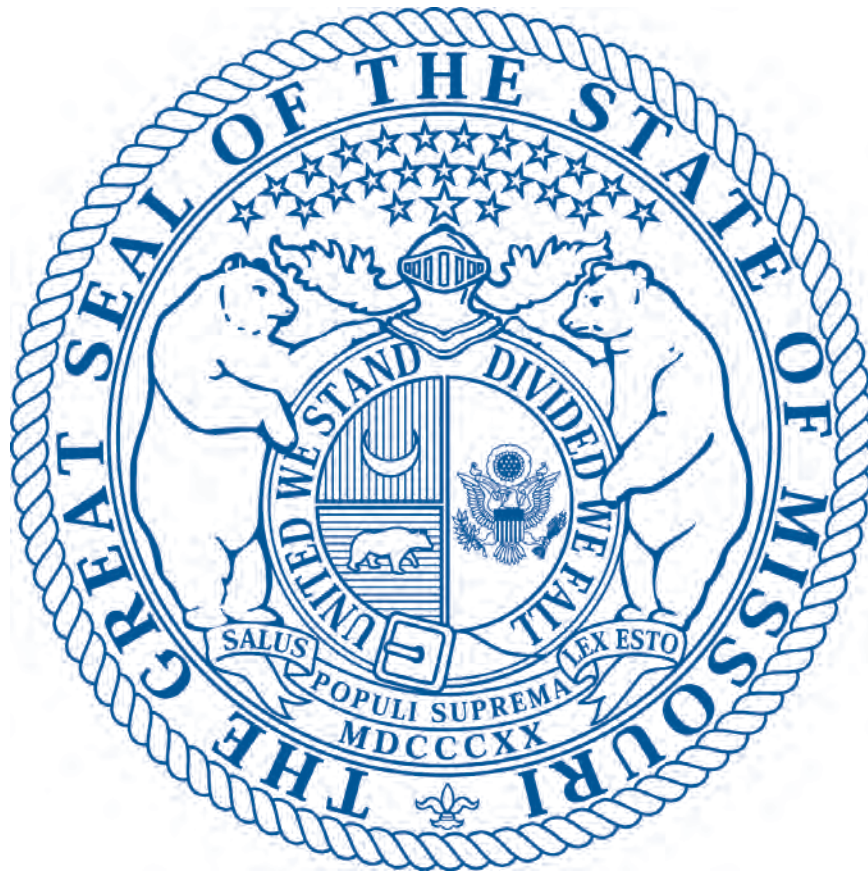


THE MISSOURI BUDGET FISCAL YEAR 2018



Eric R. Greitens
Governor



ERIC R. GREITENS
GOVERNOR

GOVERNOR OF MISSOURI
JEFFERSON CITY
65102

P.O. Box 720
(573) 751-3222

February 2, 2017

Fellow citizens of Missouri,

For decades, insiders, special interests, and lobbyists have made a mess of our budget. They've let programs get more expensive, year after year—without ever asking if those programs are serving our citizens well. They've fought to protect their pet projects and their slice of the pie—without any sense of how their choices affect the people of Missouri.

Here's the truth: Our budget is broken. Because our businesses have struggled these last few years, the taxes those businesses pay into the government are down. Special interest tax credits took another big chunk of money. Finally, Obamacare has raised the cost of healthcare around the country and has sent our state's healthcare expenses soaring.

We must come together, tighten our belts, be smart and wise with our tax dollars, and work our way out of this hole by bringing more jobs with higher pay to the people of Missouri. Hard decisions have to be made, and we won't run from them. The Fiscal Year 2018 budget makes more than \$572 million in reductions across state government. These cuts were targeted, to the extent possible, at programs with no track record of success, and services that are duplicated elsewhere in government.

My administration is committed to funding the core priorities of government and to watching over every single tax dollar. We have protected funds for our K-12 classrooms, invested in programs essential to public safety, and honored the state's pension and health care obligations. We've also tried to protect victims of domestic violence, invested in the fight against opioid abuse, and increased funding for children with special needs. We've also put some money away for the expenses we know our state will face down the road—the same way a family saves for a rainy day.

We had to make some difficult choices. The lobbyists and insiders won't be happy with some of what's in this budget, and that's because this is a conservative, responsible budget that tries to do right by Missouri's people. Not every problem that we're facing in the state of Missouri can be solved over the next week, the next month, or the next year. But the recommendations in this budget are a strong start, and they will help to get our state in economic shape again so we can grow our way out of this mess. I look forward to working with you all as we take Missouri in a new direction.

Yours in service,

A handwritten signature in black ink, appearing to read "Eric R. Greitens".

Eric R. Greitens
Governor

THE MISSOURI BUDGET

FISCAL YEAR 2018

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The Missouri Budget, Fiscal Year 2018 is available on the Internet.

The address is <https://oa.mo.gov/budget-planning/budget-information/2018-budget-information/fiscal-year-2018-executive-budget>

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THE MISSOURI BUDGET

FISCAL YEAR 2018

SUMMARY

I. OVERVIEW

Missouri's budget is suffering from reduced revenue due to poor economic growth. Revenue is being drained by special interest tax credits and the faster-than-projected growth in health care expenditures, driven in part by the national impact of Obamacare. Governor Greitens' Fiscal Year 2018 budget makes more than \$572 million in cuts across state government and reduces the state's workforce by 188 positions. The Governor is committed to making the budget cuts necessary to balance the state's budget and retain Missouri's AAA credit rating. Governor Greitens is committed to making the tough decisions necessary to bring high-paying jobs to Missouri while spending our tax dollars more wisely.

Maintaining Funding for K-12 Classrooms

The Governor supports Missouri families' priorities like K-12 education. This budget maintains funding to classrooms and improves the quality of the state's education system. State funding provides support to local school districts educating more than 885,000 Missouri students. Governor Greitens' Fiscal Year 2018 budget includes \$3.3 billion for the school foundation formula, ensuring that classroom funding is protected.

Advanced Placement Classes for High School Students

Governor Greitens believes every Missouri child has the right to a first-rate education. Over half of Missouri school districts do not offer a single Advanced Placement class in key areas such as physics or chemistry. The Missouri Virtual Instruction Program (MoVIP) offers online courses to give students access to a wide range of high-quality courses; it provides an interactive online learning

environment that can be accessed anytime, anywhere. The Governor's budget includes \$2 million to expand course access through MoVIP so that children across the state can use technology to access Advanced Placement classes.

Vulnerable Children

Governor Greitens promised to be a champion for Missouri's most vulnerable citizens. He believes that all children can achieve the American dream and live a life of meaning and purpose. The Governor's budget includes additional funding for programs that support children with special needs, including:

- \$13 million to cover the costs of providing special education services to students with disabilities through the High Need Fund, which provides instruction, tuition, assistive technology, supportive services, and transportation.
- \$12.4 million to serve additional children and reduce the caseload standard for special education teachers who provide instruction and therapy to young children with disabilities through the Early Childhood Special Education Program.
- \$10.7 million to care for children who have been abused or neglected and removed from their homes, including services for children with emotional and psychological difficulties, and expenses for children in adoptive and guardianship care placements.
- \$1.8 million to find and support adoptive homes for hard-to-place children in foster care and assist adoption resource centers in finding them permanent homes.

Supporting Missourians with Developmental Disabilities

The goal for children and individuals with a developmental disability is to enable them to live independently and productively. The Department of Mental Health serves more than 35,000 consumers with developmental disabilities. To improve their lives, Governor Greitens' budget includes additional funding totaling \$33.8 million to serve 1,472 additional individuals through case management, transitional services, and crisis residential placements.

Protecting Victims of Domestic Violence and Sexual Assault

In the midst of a recent rise in incidents of domestic violence, Governor Greitens is committed to providing services and support to victims of sexual assault and domestic violence. Although more than 35,000 victims received services in their communities last year, there were still more than 22,000 requests that were not met because of a lack of capacity or resources. The Governor recommends \$750,000 to provide additional services for victims of sexual and domestic violence, and their children. Funding will ensure prompt distribution of state assistance to individuals, programs, and shelters across the state.

Public Safety

Governor Greitens is committed to making Missouri a state where every citizen feels that they are safe and protected. The Governor will ensure that Missouri's law enforcement community has the training, resources, and support they need to protect themselves and to build strong relationships in their communities. To keep our communities safe, support victims of crime, and ensure that those who protect us have the resources they need, Governor Greitens' budget includes:

- \$250,000 to establish a Blue Alert system so the state can find and bring swift justice to anyone who assaults a law enforcement officer.
- \$1 million to equip the Missouri State Highway Patrol's Drug and Crime Control Division.

- \$1 million to decrease the backlog of cases at the state's Crime Lab.
- \$690,000 to provide TASERs and body armor to ensure troopers are protected and have the nonlethal tools they need.

Fighting the Opioid Epidemic

In 2015, drug overdoses accounted for more than 52,000 deaths nationally, including 1,066 Missourians. Opioids are the main driver of drug overdose deaths and misuse of opioids such as oxycodone, hydrocodone, codeine, and morphine has skyrocketed. Additionally, misuse of opioids is strongly linked to heroin addiction. Missouri's Department of Mental Health has received federal grant funding to work with local communities to reduce the number of overdose-related deaths; the department is applying for additional funding to expand access to prevention, treatment, and recovery services. Governor Greitens' Fiscal Year 2018 budget includes \$11 million to coordinate these efforts and combat this epidemic in Missouri.

Cyber Security

One of the state's most challenging responsibilities is to ward off threats to its information technology and data systems. Other states' systems have been infiltrated by cybercriminals attempting to steal information and disrupt state business. Governor Greitens will take the steps necessary to be a national leader in cyber security. The Governor recommends an additional \$2 million to protect against potential threats, attacks, and breaches.

Helping Missourians with Mental Health Disorders

Governor Greitens understands the challenges of those facing mental health issues through his work with wounded veterans; he knows the importance of support for those facing mental illness. Integration and coordination of behavioral health and physical health services is important, along with deploying best practices to support a path to recovery. Each year, Missouri's Department of Mental Health Division of Behavioral Health serves more than 130,000 individuals through state-operated facilities and contracts with private organizations and individuals; with a focus on

preventing, treating, and improving the public's understanding regarding mental illness and substance use disorders. To strengthen Missouri's mental health system, the Governor's Fiscal Year 2018 budget includes:

- \$115.5 million to participate in the Excellence in Mental Health Act. Missouri is one of eight states selected to participate in a federal demonstration program – the Certified Community Behavioral Health Clinic Prospective Payment System Demonstration. The project will develop a system to serve individuals with serious mental illness and substance use disorders while promoting the delivery of efficient and effective care. Funding includes \$79.5 million for community programs for adults with mental illness and \$25.5 million to treat youth with emerging mental health issues.
- \$13.8 million to assist 2,363 additional clients through the Community Psychiatric Rehabilitation and Comprehensive Substance Treatment and Rehabilitation programs.

Veterans

Missourians must never forget those who sacrificed to keep our nation safe and those who are currently in harm's way. Governor Greitens has made it his mission to make Missouri the best state in the country for veterans to live, work, build businesses, and raise their families; he has the backs of those who put their lives on the line for us. To ensure support for Missouri veterans, the Governor's Fiscal Year 2018 budget includes \$5.5 million to:

- Ensure veterans' home residents are provided the quality care they deserve and veterans with service-related disabilities have access to services.
- Build needed ancillary facilities at veterans' homes and cemeteries.

Funding for the Public Defender

Missouri needs a justice system that does justice by all of our people. As a constitutional conservative, Governor Greitens believes that every citizen has the right to a fair trial and adequate legal representation. The

Governor's Fiscal Year 2018 budget restores \$2.5 million in funding restricted by the previous administration, which will provide caseload relief for the public defender system.

Veterans' Courts and Drug Courts

Governor Greitens is an advocate for helping Missourians with mental health and substance use issues so they can be healthy, law-abiding citizens. Specialty courts seek to help low-level criminal defendants suffering from an underlying mental health, social, or substance use problem from becoming repeat offenders. The Governor's budget recommends \$2.5 million to expand drug courts and veterans' treatment courts in Missouri to help adults and veterans struggling with mental health and substance use issues.

State Employees

Governor Greitens has committed to shrinking the state workforce and retaining the state's best and brightest employees; however, this will take time to implement. Unfortunately, the current revenue situation does not allow a pay raise for the state's workforce; however, the Governor is committed to maintaining the state's benefits package for its hard-working public servants. Other states across the country are jeopardizing state employee retirement benefits by not adequately funding their pension systems. To support Missouri's public servants, the Governor recommends \$56.8 million to:

- Fully fund the contribution rate for the state's primary employee pension system; and
- Maintain the state's share of employee health care benefits, keeping costs to employees flat.

Department of Corrections

Governor Greitens is committed to reforming Missouri's correctional system. Corrections officers do hard work under difficult circumstances and Governor Greitens will stand up for them. People who are in prison should have a clear plan, from the day they enter, about what direction their lives will take the day they leave. When individuals get out of prison, we want them to go to work, to pay their

Economic Projections

	Increase by Calendar Year		
<u>U.S.</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Real GDP	1.8 %	2.6 %	2.5 %
Employment	1.7%	1.5%	1.5 %
Personal Income	4.3 %	4.2 %	4.7 %
Consumer Expenditures	2.7 %	3.1 %	3.1 %
Consumer Prices	1.3 %	2.7 %	2.5 %
<u>MISSOURI</u>			
Employment	1.1 %	1.4 %	1.2%
Personal Income	3.4 %	4.8 %	5.2 %

fair share in taxes, to take care of their children, and to set a good example. To accomplish this and protect all of our citizens, our correctional system needs to ensure offenders are ready to become productive members of our communities once they are released. The Governor's Fiscal Year 2018 budget includes:

- \$2 million to reduce recidivism rates by assisting offenders in partnering with agencies and community groups so they transition successfully from custody to productive citizens.
- \$300,000 to protect Department of Corrections' employees with updated body armor for staff who intervene in high-risk situations.

II. REVIEW OF FISCAL YEAR 2016 REVENUE

Net general revenue collections increased in Fiscal Year 2016 by 0.9 percent over the previous year. This fell well short of the revised growth estimate for Fiscal Year 2016 of 2.8 percent.

With the U.S. economy continuing to expand, moderate revenue growth is expected over the next eighteen months. Revenues are estimated to grow by 3.0 percent in Fiscal Year 2017 and increase moderately to 3.8 percent growth in Fiscal Year 2018.

III. THE ECONOMIC OUTLOOK

U.S. Economic Position

The national economy continued to grow in Calendar Year 2016, gathering momentum throughout the year. The unemployment rate declined and employment growth has continued. Housing starts and sales continued to grow at a slightly quicker pace than last year. Inflation remained low, tempered by low oil and energy prices and a strong U.S. dollar.

Congress passed a short term continuing resolution for 2017 funding the federal government until mid-spring. The presidential election has had a positive impact on consumer and business confidence. It is still unknown what campaign proposals will pass through the legislative process, both tax reform and a stimulus package are being considered. This has boosted consumer and business confidence and raised inflation expectations.

The economy grew modestly in 2016. Through November, average employment increased 1.0 percent. The unemployment rate decreased to 4.6 percent in November. Personal income continued to improve at a moderate pace. Consumer confidence and spending remained strong through November despite a bumpy year. Corporate profits had a rough start to the year, but appear on track to make a nice

rebound through the second half of 2016. The first and second quarters of 2016 were very volatile in the stock markets; however, the stock market recovered quickly in the third quarter and ended the year in record high territory. The median selling price for new homes was slightly below the peak price in 2015, and the inventory of homes ended the year at a five-month supply.

The economy continues to grow at a moderate pace. The outlook over the next two years shows a slight acceleration into 2017 and then steady growth through 2018. As the economy approaches full employment, wage growth will likely continue to accelerate, which should keep consumer confidence high. Further, reduced oil and energy prices would leave more disposable income in consumers' pockets, and hold costs down for businesses.

The Federal Reserve raised interest rates for the second time in nearly ten years. However, the rate remains very low and is expected to be increased slowly over the next two years. The initial stock market reaction to the rate hike appears positive. The Federal Reserve still needs to move cautiously as they continue to unwind a balance sheet that is inflated after the historic quantitative easing program.

In addition, there are other risks to this outlook. Geopolitical conflicts in the Persian Gulf, such as the military intervention against ISIS, could have a powerful impact on oil prices. The conflict between Ukraine and Russia is also a risk for increasing energy prices, especially for the European Union (EU). Also, the slowdown in the Chinese economy is having a rippling effect across emerging and commodity markets. A softer global economy combined with a stronger dollar, could further weaken demand for U.S. exports. However, economic growth could exceed expectations if business investment accelerates, hiring accelerates at a faster than expected pace, and wage growth improves at a more than modest pace.

Missouri Economic Position

The improvement in Missouri's economy continued through 2016. According to payroll data in December, employment has increased. Through the first eleven months, employment improved 1.9 percent compared to 2015. Unemployment claims remain below pre-recession levels. Both personal income and

consumer spending grew at a moderate pace. Despite these encouraging trends Missouri's unemployment rate increased to 4.7 percent in November. However, this increase appears to be driven by people entering the labor force, a positive for the economy.

Like the national economy, Missouri's economy is expected to accelerate in 2017 and then maintain moderate growth in 2018. Job growth will continue to accelerate over the next eighteen months boosting wages. Unlike the national economy, the manufacturing industry in Missouri has remained steady over the past year. The risks to growth are similar to those of the nation as a whole.

IV. REVENUE PROJECTIONS FOR FISCAL YEARS 2017 AND 2018

Revenue forecasting is challenging under the best of circumstances and is even more difficult when the previous year includes abnormally low growth following a period of abnormally high growth.

With economic growth accelerating, continued revenue growth is expected for Fiscal Year 2017. The revised revenue estimate assumes growth of 3.0 percent, which reflects solid growth in income and sales taxes. This growth will be offset by a considerable decline in corporate taxes, largely the result of a new income allocation method, poor corporate profits in the first half of 2016, and other state and federal tax policy changes. Tax credit redemptions will continue to equal a large portion of net revenue, though likely will not be as high as the record level reached in Fiscal Year 2012. The revised estimate of 3.0% reflects a downward adjustment from the number on which the Fiscal Year 2017 budget is based.

Continued employment increases, stronger wage growth, and spending growth will help boost general revenue collections in Fiscal Year 2018. Governor Greitens' Fiscal Year 2018 Budget is based on a forecast of revenue growth of 3.8 percent in Fiscal Year 2018.

V. REVENUE LIMITATION AMENDMENT

Article X of the Missouri Constitution establishes a revenue and spending limit on state government. The limit is 5.6 percent of Missouri personal income, based on the relationship between personal income and total

state revenues when the limit was established and approved by voters in November 1980. Calculations made pursuant to Article X of the Missouri Constitution show that total state revenues for Fiscal Year 2015 were below the total state revenue limit by over \$3.8 billion.

The Office of Administration projects that total state revenues will not exceed the total state revenue limit in Fiscal Years 2017 or 2018. These preliminary calculations are subject to change as actual state revenue collections become known and as the federal government revises its estimates of Missouri personal income. These projections could change if legislation is approved to increase taxes without a vote of the people. Pursuant to Article X of the Missouri Constitution, revenue approved by the voters is not subject to the revenue and spending limit.

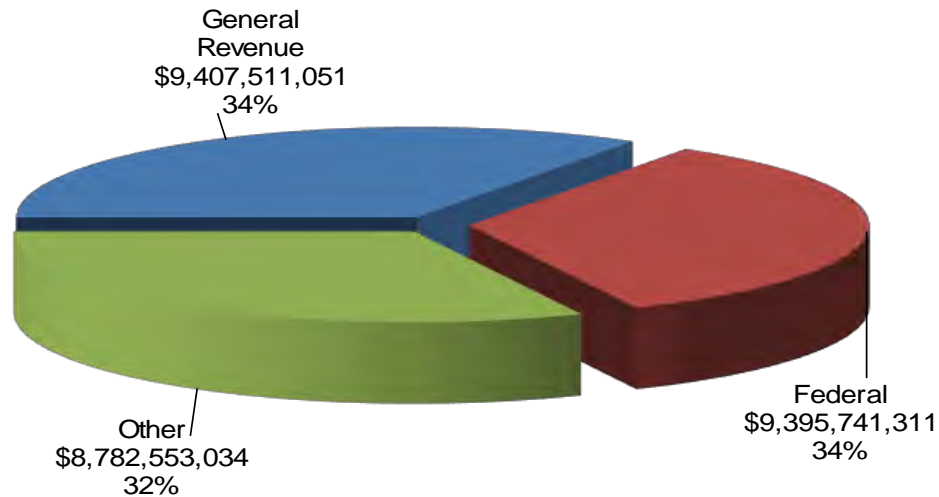
In addition, Article X, Section 18(e) of the Missouri Constitution states the General Assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce net new annual revenues greater than \$50 million, adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or one percent of total state revenues for the second fiscal year prior to the General Assembly's action, whichever is less.

"Net new annual revenues" is defined as the net increase in annual revenues produced by the total of all tax or fee increases by the General Assembly in a fiscal year, less refunds and less all contemporaneously occurring tax or fee reductions in that same fiscal year. For Fiscal Year 2016, these calculations were \$117.5 million for the personal income amount and \$94.3 million for the one percent of total state revenues amount. For Fiscal Year 2017, the calculations are \$120.3 million for the personal income amount and \$101.5 million for the one percent of total state revenues amount.

FY 2018 TOTAL OPERATING BUDGET

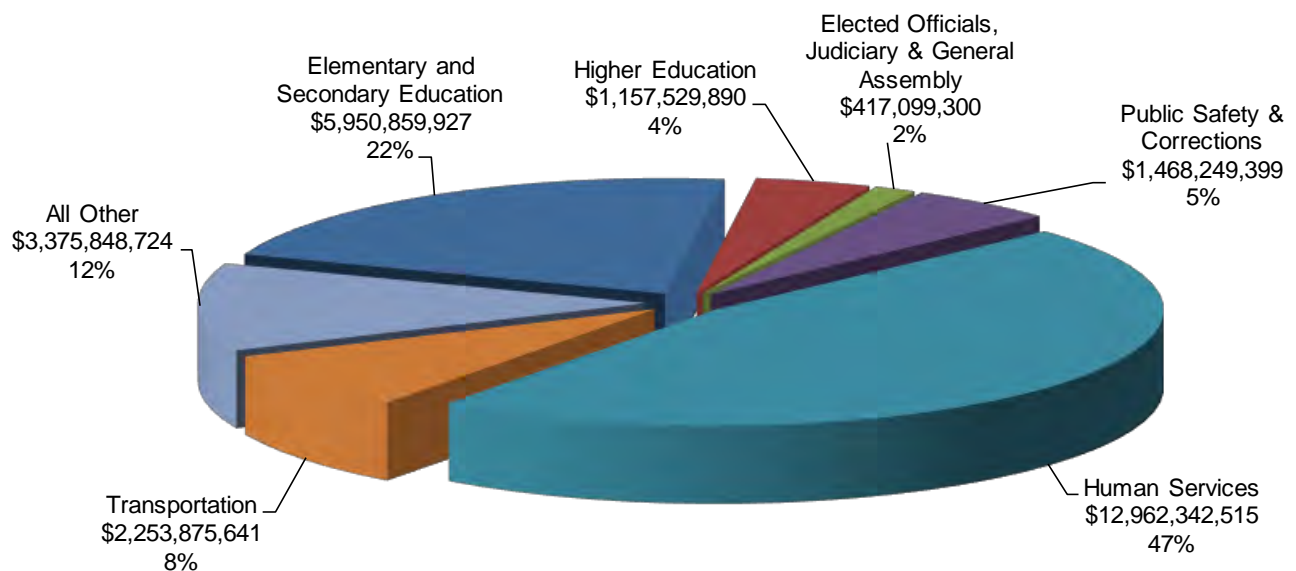
SOURCES OF FUNDS

Total Funds* \$27,585,805,396



FY 2018 GOVERNOR'S RECOMMENDED OPERATING BUDGET—ALL FUNDS

Total Appropriations* \$27,585,805,396



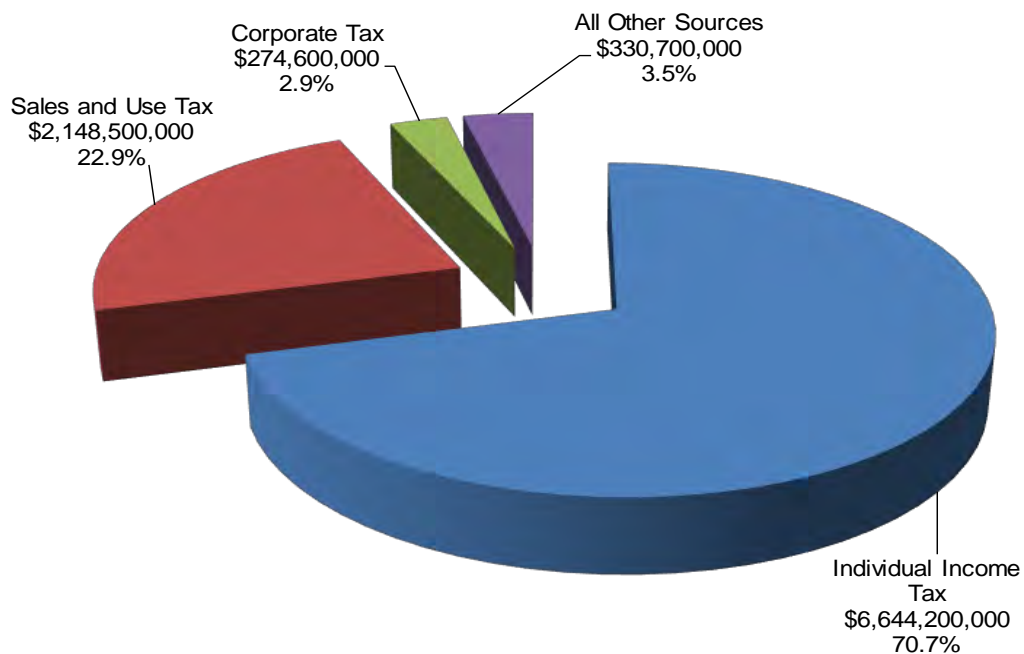
*Excludes refunds

GENERAL REVENUE RECEIPTS AND ESTIMATES

	Actual Receipts FY 2016	Revenue Estimate FY 2017	Revenue Estimate FY 2018
Collections			
Individual Income Tax	\$ 7,158,240,866	\$ 7,523,600,000	\$ 7,849,200,000
Sales and Use Tax	2,102,633,661	2,146,800,000	2,187,900,000
Corporate Income/Franchise Tax	468,289,023	371,000,000	377,500,000
County Foreign Insurance Tax	247,270,230	259,900,000	270,500,000
Liquor Tax	24,760,965	25,100,000	25,500,000
Beer Tax	7,798,378	7,900,000	8,000,000
Interest on Deposits and Investments	4,688,248	5,300,000	5,900,000
Federal Reimbursements	15,896,834	9,300,000	6,400,000
All Other Sources	162,157,320	180,000,000	166,200,000
Total General Revenue Collections	10,191,735,525	10,528,900,000	10,897,100,000
Refunds	(1,404,962,430)	(1,475,500,000)	(1,499,100,000)
Net General Revenue Collections	\$ 8,786,773,095	\$ 9,053,400,000	\$ 9,398,000,000
Net Growth Rate		0	0

FY 2018 REVENUE ESTIMATE

Net General Revenue \$9,398,000,000



GENERAL REVENUE SUMMARY

RESOURCES

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Beginning Balance	\$ 12,620,958	\$ 21,060,407	\$ 64,079,186
Previous Year's Lapse ¹	264,972,144	132,169,848	118,500,000
Revenue Collections	10,191,735,525	10,528,900,000	10,897,100,000
Refunds	(1,404,962,430)	(1,475,500,000)	(1,499,100,000)
Collection Additions	0	33,900,000	8,000,000
Transfers to Fund	117,314,746	151,100,000	79,600,000
Total Resources Available	\$ 9,181,680,943	\$ 9,391,630,255	\$ 9,668,179,186

OBLIGATIONS

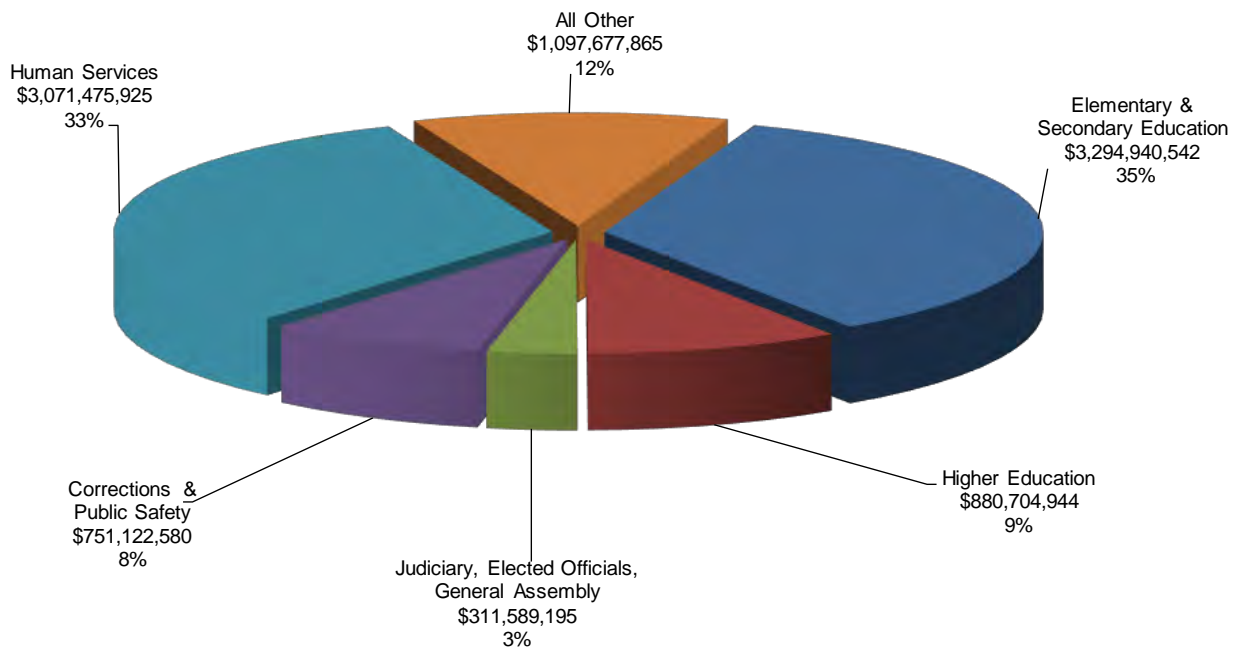
Operating Appropriations	\$ 8,854,825,360	\$ 9,526,396,598	\$ 9,407,511,051
Capital Appropriations	93,825,000	120,500,000	82,400,000
Capital Reappropriations	10,583,099	40,500,000	33,500,000
Supplemental	278,249,326	45,119,663	100,000,000
Increased estimates	40,174,303	19,200,000	44,500,000
Confirmed Lapse	0	(4,800,000)	(4,900,000)
Expenditure Restrictions	(117,036,552)	(419,365,192)	0
Total Obligations	\$ 9,160,620,536	\$ 9,327,551,069	\$ 9,663,011,051
Ending Balance	\$ 21,060,407	\$ 64,079,186	\$ 5,168,135

NOTES TO GENERAL REVENUE SUMMARY

(1) Unexpended appropriations are counted as a resource in the next fiscal year to avoid premature commitment of uncertain resources until actual lapses are known. This includes reserves authorized by Section 33.290, RSMo.

FY 2018 GOVERNOR'S RECOMMENDED OPERATING BUDGET—GENERAL REVENUE

Total Appropriations* \$9,407,511,051



*Excludes refunds

FY 2018 BUDGET SUMMARY

House Bill	FY 2016 Expenditures	FY 2017 Appropriations	Governor's Recommendation FY 2018
1 <u>Public Debt</u>			
General Revenue	\$ 58,754,866	\$ 53,208,208	\$ 40,564,997
Federal Funds	0	0	0
Other Funds	2,748,834	2,539,051	1,742,287
Total	\$ 61,503,700	\$ 55,747,259	\$ 42,307,284
2 <u>Elementary and Secondary Education</u>			
General Revenue	\$ 3,236,263,033	\$ 3,318,174,889	\$ 3,294,940,542
Federal Funds	977,782,443	1,073,686,848	1,107,337,497
Other Funds	1,461,215,326	1,522,743,869	1,548,581,888
Total	\$ 5,675,260,802	\$ 5,914,605,606	\$ 5,950,859,927
3 <u>Higher Education</u>			
General Revenue	\$ 905,506,239	\$ 996,919,324	\$ 880,704,944
Federal Funds	1,181,463	2,248,806	2,248,806
Other Funds	228,040,175	317,586,140	274,576,140
Total	\$ 1,134,727,877	\$ 1,316,754,270	\$ 1,157,529,890
4 <u>Revenue</u>			
General Revenue	\$ 78,617,751	\$ 91,563,159	\$ 88,882,007
Federal Funds	2,532,835	4,111,573	4,111,573
Other Funds	434,464,751	418,439,852	417,797,411
Total	\$ 515,615,337	\$ 514,114,584	\$ 510,790,991
4 <u>Transportation</u>			
General Revenue	\$ 17,940,192	\$ 37,644,129	\$ 11,794,129
Federal Funds	84,634,602	119,922,462	144,605,962
Other Funds	1,785,040,107	2,034,199,983	2,097,475,550
Total	\$ 1,887,614,901	\$ 2,191,766,574	\$ 2,253,875,641
5 <u>Office of Administration</u>			
General Revenue	\$ 209,224,316	\$ 186,605,191	\$ 194,083,777
Federal Funds	57,743,656	85,449,056	81,099,056
Other Funds	33,184,892	50,303,820	49,923,729
Total	\$ 300,152,864	\$ 322,358,067	\$ 325,106,562
5 <u>Employee Benefits</u>			
General Revenue	\$ 544,601,712	\$ 561,729,850	\$ 593,926,712
Federal Funds	186,916,050	204,347,447	216,798,270
Other Funds	163,720,651	181,118,440	191,727,160
Total	\$ 895,238,413	\$ 947,195,737	\$ 1,002,452,142

FY 2018 BUDGET SUMMARY

House Bill	FY 2016 Expenditures	FY 2017 Appropriations	Governor's Recommendation FY 2018
6 <u>Agriculture</u>			
General Revenue	\$ 10,620,105	\$ 22,059,329	\$ 6,752,189
Federal Funds	2,315,849	7,667,530	7,981,633
Other Funds	19,726,150	23,489,401	25,701,904
Total	\$ 32,662,104	\$ 53,216,260	\$ 40,435,726
6 <u>Natural Resources</u>			
General Revenue	\$ 10,619,900	\$ 12,366,059	\$ 10,896,689
Federal Funds	29,120,995	50,563,921	48,023,808
Other Funds	333,172,443	519,027,722	520,610,529
Total	\$ 372,913,338	\$ 581,957,702	\$ 579,531,026
6 <u>Conservation</u>			
General Revenue	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	144,295,384	154,699,871	154,699,871
Total	\$ 144,295,384	\$ 154,699,871	\$ 154,699,871
7 <u>Economic Development</u>			
General Revenue	\$ 76,991,368	\$ 100,283,375	\$ 76,298,793
Federal Funds	111,969,686	203,743,387	203,680,747
Other Funds	38,495,027	69,033,830	69,048,340
Total	\$ 227,456,081	\$ 373,060,592	\$ 349,027,880
7 <u>Insurance, Financial Institutions and Professional Registration</u>			
General Revenue	\$ 0	\$ 0	\$ 0
Federal Funds	1,322,673	1,792,607	1,250,000
Other Funds	33,751,943	40,067,934	42,628,377
Total	\$ 35,074,616	\$ 41,860,541	\$ 43,878,377
7 <u>Labor and Industrial Relations</u>			
General Revenue	\$ 1,839,266	\$ 2,384,477	\$ 2,384,477
Federal Funds	35,330,931	57,061,523	57,648,054
Other Funds	120,094,439	157,080,463	162,598,148
Total	\$ 157,264,636	\$ 216,526,463	\$ 222,630,679
8 <u>Public Safety</u>			
General Revenue	\$ 58,565,703	\$ 81,093,052	\$ 73,553,336
Federal Funds	150,571,880	248,004,471	249,284,633
Other Funds	368,466,257	418,921,626	419,950,696
Total	\$ 577,603,840	\$ 748,019,149	\$ 742,788,665

FY 2018 BUDGET SUMMARY

House Bill		FY 2016 <u>Expenditures</u>	FY 2017 <u>Appropriations</u>	Governor's Recommendation <u>FY 2018</u>
9	<u>Corrections</u>			
	General Revenue	\$ 645,154,544	\$ 678,093,702	\$ 677,569,244
	Federal Funds	1,988,106	5,167,846	5,042,846
	Other Funds	30,193,061	42,903,644	42,848,644
	Total	\$ 677,335,711	\$ 726,165,192	\$ 725,460,734
10	<u>Mental Health</u>			
	General Revenue	\$ 714,510,133	\$ 816,386,000	\$ 797,147,763
	Federal Funds	861,957,846	1,119,157,213	1,230,522,010
	Other Funds	54,284,618	56,608,544	49,388,496
	Total	\$ 1,630,752,597	\$ 1,992,151,757	\$ 2,077,058,269
10	<u>Health and Senior Services</u>			
	General Revenue	\$ 329,305,790	\$ 375,836,997	\$ 347,320,097
	Federal Funds	891,451,689	944,650,565	919,000,000
	Other Funds	21,120,936	20,964,344	20,932,524
	Total	\$ 1,241,878,415	\$ 1,341,451,906	\$ 1,287,252,621
11	<u>Social Services</u>			
	General Revenue	\$ 1,737,243,665	\$ 1,788,517,619	\$ 1,927,008,065
	Federal Funds	4,232,475,128	4,895,594,396	5,062,549,220
	Other Funds	2,423,165,559	2,540,798,187	2,608,474,340
	Total	\$ 8,392,884,352	\$ 9,224,910,202	\$ 9,598,031,625
12	<u>Elected Officials</u>			
	General Revenue	\$ 50,605,061	\$ 65,439,390	\$ 45,047,589
	Federal Funds	10,734,719	21,773,365	20,998,365
	Other Funds	54,747,981	51,023,349	51,719,849
	Total	\$ 116,087,761	\$ 138,236,104	\$ 117,765,803
12	<u>Judiciary</u>			
	General Revenue	\$ 182,550,645	\$ 188,055,057	\$ 190,450,713
	Federal Funds	5,704,046	14,372,517	14,372,517
	Other Funds	12,309,557	14,937,692	14,937,692
	Total	\$ 200,564,248	\$ 217,365,266	\$ 219,760,922
12	<u>Public Defender</u>			
	General Revenue	\$ 36,422,010	\$ 41,497,581	\$ 40,497,581
	Federal Funds	0	125,000	125,000
	Other Funds	1,282,644	2,985,943	2,985,943
	Total	\$ 37,704,654	\$ 44,608,524	\$ 43,608,524
12	<u>General Assembly</u>			
	General Revenue	\$ 32,227,642	\$ 36,633,312	\$ 35,593,312
	Federal Funds	0	0	0
	Other Funds	108,973	295,739	370,739
	Total	\$ 32,336,615	\$ 36,929,051	\$ 35,964,051

FY 2018 BUDGET SUMMARY

House Bill	FY 2016 Expenditures	FY 2017 Appropriations	Governor's Recommendation FY 2018
13 <u>Real Estate</u>			
General Revenue	\$ 67,826,736	\$ 71,905,898	\$ 72,094,095
Federal Funds	16,309,795	18,889,709	19,061,314
Other Funds	13,106,640	13,631,349	13,832,777
Total	\$ 97,243,171	\$ 104,426,956	\$ 104,988,186
14 <u>Operating Supplemental</u>			
General Revenue	\$	\$ 45,119,663	\$
Federal Funds		129,162,678	
Other Funds		71,061,506	
Total	\$	\$ 245,343,847	\$
<u>Total Operating Budget</u>			
General Revenue	\$ 9,005,390,677	\$ 9,571,516,261	\$ 9,407,511,051
Federal Funds	7,662,044,392	9,207,492,920	9,395,741,311
Other Funds	7,776,736,348	8,724,462,299	8,782,553,034
Total	\$ 24,444,171,417	\$ 27,503,471,480	\$ 27,585,805,396
<u>Capital Improvements - One-Time Projects*</u>			
General Revenue	\$ 12,544,214	\$ 120,500,000	\$ 82,400,000
Federal Funds	14,582,638	21,000,000	21,400,000
Other Funds	156,539,653	49,720,132	84,716,857
Total	\$ 183,666,504	\$ 191,220,132	\$ 188,516,857
<u>Grand Total</u>			
General Revenue	\$ 9,017,934,891	\$ 9,692,016,261	\$ 9,489,911,051
Federal Funds	7,676,627,030	9,228,492,920	9,417,141,311
Other Funds	7,933,276,001	8,774,182,431	8,867,269,891
Total	\$ 24,627,837,921	\$ 27,694,691,612	\$ 27,774,322,253

* Reappropriations are recognized in the budget in the first year they are appropriated. Expenditures from reappropriations are recognized in the year in which the expenditure occurred.

FY 2018 FTE SUMMARY

House <u>Bill</u>	FY 2016 <u>Budget</u>	FY 2017 <u>Budget</u>	Governor's Recommendation <u>FY 2018</u>
1 <u>Public Debt</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	0.00	0.00	0.00
Other Funds	0.00	0.00	0.00
Total	0.00	0.00	0.00
2 <u>Elementary and Secondary Education</u>			
General Revenue	819.50	821.50	811.25
Federal Funds	857.26	854.26	853.51
Other Funds	17.00	18.00	18.75
Total	1,693.76	1,693.76	1,683.51
3 <u>Higher Education</u>			
General Revenue	14.03	14.03	14.03
Federal Funds	1.50	1.00	1.00
Other Funds	64.67	64.67	64.67
Total	80.20	79.70	79.70
4 <u>Revenue</u>			
General Revenue	890.52	901.52	909.52
Federal Funds	6.74	6.74	4.74
Other Funds	420.79	420.79	420.79
Total	1,318.05	1,329.05	1,335.05
4 <u>Transportation</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	15.41	15.41	15.29
Other Funds	5,640.46	5,640.46	5,540.58
Total	5,655.87	5,655.87	5,555.87
5 <u>Office of Administration</u>			
General Revenue	655.35	654.35	656.35
Federal Funds	321.29	321.29	321.29
Other Funds	912.83	915.83	910.83
Total	1,889.47	1,891.47	1,888.47
6 <u>Agriculture</u>			
General Revenue	89.14	89.14	88.14
Federal Funds	36.21	43.21	47.21
Other Funds	312.66	314.66	320.66
Total	438.01	447.01	456.01
6 <u>Natural Resources</u>			
General Revenue	133.45	133.45	133.45
Federal Funds	379.36	379.36	341.57
Other Funds	1,187.31	1,189.31	1,218.10
Total	1,700.12	1,702.12	1,693.12

FY 2018 FTE SUMMARY

House Bill	FY 2016 Budget	FY 2017 Budget	Governor's Recommendation FY 2018
6 <u>Conservation</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	0.00	0.00	0.00
Other Funds	1,812.81	1,812.81	1,812.81
Total	1,812.81	1,812.81	1,812.81
7 <u>Economic Development</u>			
General Revenue	69.89	69.89	67.15
Federal Funds	523.81	523.81	502.28
Other Funds	299.55	301.55	296.05
Total	893.25	895.25	865.48
<u>Insurance, Financial Institutions and</u>			
7 <u>Professional Registration</u>			
General Revenue	0.00	0.00	0.00
Federal Funds	21.00	21.00	0.00
Other Funds	571.33	576.33	582.33
Total	592.33	597.33	582.33
7 <u>Labor and Industrial Relations</u>			
General Revenue	25.81	27.81	27.81
Federal Funds	602.31	602.31	614.99
Other Funds	192.84	192.84	185.16
Total	820.96	822.96	827.96
8 <u>Public Safety</u>			
General Revenue	475.82	467.82	482.82
Federal Funds	435.83	434.83	437.83
Other Funds	4,113.05	4,145.05	4,151.05
Total	5,024.70	5,047.70	5,071.70
9 <u>Corrections</u>			
General Revenue	10,947.45	10,961.85	10,961.85
Federal Funds	43.00	43.00	43.00
Other Funds	253.40	239.00	239.00
Total	11,243.85	11,243.85	11,243.85
10 <u>Mental Health</u>			
General Revenue	4,815.19	4,833.83	4,886.42
Federal Funds	2,353.15	2,337.15	2,318.65
Other Funds	87.57	65.50	54.50
Total	7,255.91	7,236.48	7,259.57
10 <u>Health and Senior Services</u>			
General Revenue	655.69	654.57	654.57
Federal Funds	975.83	976.95	969.95
Other Funds	126.52	128.52	128.52
Total	1,758.04	1,760.04	1,753.04

FY 2018 FTE SUMMARY

House <u>Bill</u>	FY 2016 <u>Budget</u>	FY 2017 <u>Budget</u>	Governor's Recommendation <u>FY 2018</u>
11 <u>Social Services</u>			
General Revenue	1,761.14	1,879.17	1,867.61
Federal Funds	4,699.01	4,623.01	4,569.57
Other Funds	474.46	359.93	360.93
Total	6,934.61	6,862.11	6,798.11
12 <u>Elected Officials</u>			
General Revenue	635.33	635.33	622.33
Federal Funds	93.51	93.51	93.51
Other Funds	246.68	246.68	244.68
Total	975.52	975.52	960.52
12 <u>Judiciary</u>			
General Revenue	3,260.30	3,211.30	3,274.30
Federal Funds	103.25	168.25	105.25
Other Funds	58.50	58.50	58.50
Total	3,422.05	3,438.05	3,438.05
12 <u>Public Defender</u>			
General Revenue	585.13	595.13	595.13
Federal Funds	0.00	0.00	0.00
Other Funds	2.00	2.00	2.00
Total	587.13	597.13	597.13
12 <u>General Assembly</u>			
General Revenue	687.92	687.92	685.92
Federal Funds	0.00	0.00	0.00
Other Funds	1.25	1.25	1.25
Total	689.17	689.17	687.17
<u>Total Budget</u>			
General Revenue	26,521.66	26,638.61	26,738.65
Federal Funds	11,468.47	11,445.09	11,239.64
Other Funds	16,795.68	16,693.68	16,611.16
Total	54,785.81	54,777.38	54,589.45

SUPPLEMENTAL RECOMMENDATIONS FISCAL YEAR 2017

	<u>GENERAL REVENUE</u>	<u>FEDERAL FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL</u>
Department of Elementary and Secondary Education	\$ 14,209,311	\$ 9,800,765	\$ 4,400,000	\$ 28,410,076
Department of Higher Education	1,014,700	0	0	1,014,700
Department of Revenue	217,562	0	4,810,546	5,028,108
Department of Transportation	0	8,700,000	10,700,000	19,400,000
Office of Administration	0	0	12,244	12,244
Department of Agriculture	0	0	175,465	175,465
Department of Labor and Industrial Relations	0	0	15,613	15,613
Department of Public Safety	0	120,000	0	120,000
Department of Corrections	953,446	0	0	953,446
Department of Mental Health	5,060,859	0	0	5,060,859
Department of Health and Senior Services	15,033,089	23,547,664	0	38,580,753
Department of Social Services	8,630,696	86,994,249	50,497,638	146,122,583
General Assembly	0	0	450,000	450,000
TOTAL	\$ 45,119,663	\$ 129,162,678	\$ 71,061,506	\$ 245,343,847

PUBLIC DEBT

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 5,588	\$ 20,002	\$ 20,002	\$ 20,002
Fourth State Building Bonds	29,847,414	25,869,275	25,927,525	25,927,525
Water Pollution Control Bonds	29,871,660	28,070,232	14,576,632	14,576,632
Stormwater Control Bonds	<u>1,779,038</u>	<u>1,787,750</u>	<u>1,783,125</u>	<u>1,783,125</u>
TOTAL	\$ 61,503,700	\$ 55,747,259	\$ 42,307,284	\$ 42,307,284
General Revenue Fund	58,754,866	53,208,208	40,564,997	40,564,997
Water and Wastewater Loan Revolving Fund	2,748,834	2,539,051	1,742,287	1,742,287
Total Full-time Equivalent Employees	0.00	0.00	0.00	0.00

Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings have consistently awarded the State of Missouri's bond issues the highest rating: "Triple A". Missouri is one of only 11 states with this rating from all three rating organizations. Voter approved state constitutional provisions allow for specific general obligation bond issuances. Current general obligation bonds serve three purposes:

Fourth State Building Bonds: In August 1994, Missouri voters approved a \$250 million fourth state building bond issuance to provide essential prison capacity, new juvenile offender residential beds and significant new higher education construction and renovation.

Water Pollution Control Bonds: Missouri voters approved several water pollution control bond issuances totaling \$725 million. Water pollution control bond proceeds help local governments construct wastewater and stormwater control facilities and improve public drinking water systems. These infrastructure improvements support local economic development, protect Missouri waterways from pollution, and help ensure safe drinking water supplies.

Stormwater Control Bonds: In November 1998, Missouri voters approved stormwater control bond issuances of \$200 million for stormwater control plans, studies, and projects.

PUBLIC DEBT

ADMINISTRATION OF PUBLIC DEBT

The Board of Fund Commissioners administer the state's general obligation bonded indebtedness. The following members comprise the board pursuant to Section 33.300, RSMo: Governor, Lieutenant Governor, Attorney General, State Treasurer, and Commissioner of Administration. Selling and processing the state's general obligation bonds results in administrative costs. The board directs the payment of state debt principal and interest. Moody's Investors Service, Standard and Poor's Corporation, and Fitch Ratings rate the State of Missouri general obligation bonds as "Triple A". Additionally, the Board of Fund Commissioners must repay the United States Treasury excess interest earnings (arbitrage rebate) on water pollution control bonds, stormwater control bonds, and fourth state building bonds.

Fiscal Year 2018 Governor's Recommendations

- \$20,002 for the administration of public debt.

FOURTH STATE BUILDING BONDS DEBT SERVICE

Under Article III, Section 37, Missouri Constitution, Missouri voters authorized \$250 million in fourth state building bonds for state facilities and higher education institutions capital improvement projects. The General Assembly authorized bonds on a cash-as-needed basis to meet scheduled construction timetables. The Office of Administration has issued all \$250 million in voter-approved bonds. The Office of Administration transfers general revenue to the Fourth State Building Bond and Interest Fund one year in advance of its required payment of principal, interest, and fees.

Fiscal Year 2018 Governor's Recommendations

- \$25,927,525 for the transfer of general revenue for debt service on currently outstanding fourth state building bonds.

PUBLIC DEBT

SUMMARY OF FOURTH STATE BUILDING BONDS ISSUANCES

<u>Issuance</u>	<u>Final Maturity Fiscal Year</u>	<u>Principal Amount Issued</u>	<u>Principal Amount Repaid</u>	<u>Principal Amount Refunded/Defeased</u>	<u>Principal Outstanding As of 1/1/17</u>
Series A 1995	2005	\$ 75,000,000	\$ 18,700,000	\$ 56,300,000	\$ 0
Series A 1996	Refunded	125,000,000	24,800,000	100,200,000	0
Series A 1998	Refunded	50,000,000	9,030,000	40,970,000	0
Totals Excluding Refunding Issuances		\$ 250,000,000	\$ 52,530,000	\$ 197,470,000	\$ 0
Series A 2002 Refunding	Refunded	154,840,000	35,335,000	119,505,000	0
Series A 2005 Refunding	2017	45,330,000	42,825,000	2,505,000	0
Series A 2010 Refunding	2023	9,060,000	3,535,000	0	5,525,000
Series A 2012 Refunding	2022	100,395,000	38,755,000	0	61,640,000
Totals Including Refunding Issuances		\$ 559,625,000	\$ 172,980,000	\$ 319,480,000	\$ 67,165,000

FOURTH STATE BUILDING BONDS COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
1996	\$ 1,380,000.00	\$ 4,311,020.00	\$ 5,691,020.00
1997	1,480,000.00	7,773,776.25	9,253,776.25
1998	4,260,000.00	11,177,882.50	15,437,882.50
1999	5,625,000.00	13,406,382.50	19,031,382.50
2000	5,900,000.00	13,077,082.50	18,977,082.50
2001	6,160,000.00	12,716,357.50	18,876,357.50
2002	6,470,000.00	12,339,770.00	18,809,770.00
2003	6,765,000.00	11,156,394.27	17,921,394.27
2004	7,080,000.00	10,498,993.76	17,578,993.76
2005	7,410,000.00	10,043,368.76	17,453,368.76
2006	0.00	8,981,897.93	8,981,897.93
2007	1,470,000.00	9,499,181.26	10,969,181.26
2008	7,780,000.00	9,306,831.26	17,086,831.26
2009	8,130,000.00	8,896,231.26	17,026,231.26
2010	10,320,000.00	8,434,981.26	18,754,981.26
2011	0.00	8,026,325.70	8,026,325.70
2012	9,415,000.00	7,859,356.26	17,274,356.26
2013	8,945,000.00	4,182,183.89	13,127,183.89
2014	7,730,000.00	5,669,975.00	13,399,975.00
2015	19,100,000.00	5,115,650.00	24,215,650.00
2016	20,670,000.00	4,208,900.00	24,878,900.00
2017	26,890,000.00	3,135,900.00	30,025,900.00
2018	23,815,000.00	2,054,275.00	25,869,275.00
2019	24,855,000.00	1,072,525.00	25,927,525.00
2020	9,455,000.00	420,375.00	9,875,375.00
2021	3,955,000.00	215,950.00	4,170,950.00
2022	4,050,000.00	107,025.00	4,157,025.00
2023	1,035,000.00	25,875.00	1,060,875.00
TOTAL	\$ 240,145,000.00	\$ 193,714,466.86	\$ 433,859,466.86

Total principal issued includes refunding issuances of \$309,625,000 which does not count toward the \$250 million constitutional authorization. Total principal has also been reduced by \$1,035,000 of legally defeased bonds.

PUBLIC DEBT

WATER POLLUTION CONTROL BONDS DEBT SERVICE

Under Article III, Section 37, Missouri Constitution, Missouri voters authorized selling \$725 million in water pollution control bonds. The General Assembly authorizes bond increments on a cash-as-needed basis to fund Missouri Clean Water Commission approved wastewater treatment projects. Excluding refunding issuances, the state has issued \$594.5 million in bonds. The Water Pollution Control Bond and Interest Fund accepts a general revenue transfer one year in advance of the required payment of principal, interest, and fees.

Fiscal Year 2018 Governor's Recommendations

- \$14,576,632 for the transfer of funds for debt service on currently outstanding water pollution control bonds, including \$12,834,345 general revenue.

SUMMARY OF WATER POLLUTION CONTROL BONDS ISSUANCES

Issuance	Final Maturity Fiscal Year	Principal Amount Issued	Principal Amount Repaid	Principal Amount Refunded/Deceased	Principal Outstanding As of 1/1/17
Series A 1972	1997	\$ 20,000,000	\$ 20,000,000	\$ 0	\$ 0
Series A 1974	1999	8,000,000	8,000,000	0	0
Series B 1974	1995	15,000,000	15,000,000	0	0
Series A 1977	1997	31,494,240	31,494,240	0	0
Series A 1981	Refunded	20,000,000	3,060,000	16,940,000	0
Series A 1983	Refunded	20,000,000	3,585,000	16,415,000	0
Series B 1983	Refunded	10,000,000	375,000	9,625,000	0
Series A 1985	Refunded	20,000,000	425,000	19,575,000	0
Series A 1986	Refunded	60,000,000	13,600,000	46,400,000	0
Series B 1987	Refunded	35,000,000	4,305,000	30,695,000	0
Series A 1989	Refunded	35,000,000	7,720,000	27,280,000	0
Series A 1991	Refunded	35,000,000	7,650,000	27,350,000	0
Series A 1992	Refunded	35,000,000	8,440,000	26,560,000	0
Series A 1993	2004	30,000,000	7,650,000	22,350,000	0
Series A 1995	2005	30,000,000	7,480,000	22,520,000	0
Series A 1996	Refunded	35,000,000	6,940,000	28,060,000	0
Series A 1998	Refunded	35,000,000	6,320,000	28,680,000	0
Series A 1999	Refunded	20,000,000	2,405,000	17,595,000	0
Series A 2001	Refunded	20,000,000	4,890,000	15,110,000	0
Series A 2002	Refunded	30,000,000	6,550,000	23,450,000	0
Series A 2007	2022	50,000,000	9,520,000	31,385,000	9,095,000
Totals Excluding Refunding Issuances		\$ 594,494,240	\$ 175,409,240	\$ 409,990,000	\$ 9,095,000
Series A 1987 Refunding	Refunded	49,715,000	16,475,000	33,240,000	0
Series B 1991 Refunding	Refunded	17,435,000	6,080,000	11,355,000	0
Series C 1991 Refunding	Refunded	33,575,000	11,700,000	21,875,000	0
Series B 1992 Refunding	Refunded	50,435,000	16,840,000	33,595,000	0
Series B 1993 Refunding	Refunded	109,415,000	32,875,000	76,540,000	0
Series B 2002 Refunding	Refunded	147,710,000	70,640,000	77,070,000	0
Series A 2003 Refunding	2017	74,655,000	23,120,000	51,535,000	0
Series A 2005 Refunding	2017	95,100,000	86,505,000	8,595,000	0
Series A 2010 Refunding	2023	81,450,000	31,785,000	0	49,665,000
Series A 2012 Refunding	2020	62,460,000	42,790,000	0	19,670,000
Totals Including Refunding Issuances		\$ 1,316,444,240	\$ 514,219,240	\$ 723,795,000	\$ 78,430,000

PUBLIC DEBT

**WATER POLLUTION CONTROL BONDS
COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS**

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
1973	\$ 570,000.00	\$ 930,188.68	\$ 1,500,188.68
1974	485,000.00	986,240.00	1,471,240.00
1975	705,000.00	1,751,569.56	2,456,569.56
1976	1,105,000.00	2,145,455.00	3,250,455.00
1977	1,160,000.00	2,080,357.50	3,240,357.50
1978	2,129,240.00	3,259,522.70	5,388,762.70
1979	2,240,000.00	3,405,992.50	5,645,992.50
1980	2,355,000.00	3,278,505.00	5,633,505.00
1981	2,475,000.00	3,146,440.00	5,621,440.00
1982	3,135,000.00	4,730,807.06	7,865,807.06
1983	3,165,000.00	4,694,670.00	7,859,670.00
1984	3,580,000.00	6,591,015.00	10,171,015.00
1985	3,915,000.00	6,805,965.00	10,720,965.00
1986	4,325,000.00	8,378,860.00	12,703,860.00
1987	4,650,000.00	10,567,758.28	15,217,758.28
1988	4,840,000.00	11,131,392.44	15,971,392.44
1989	6,805,000.00	13,815,388.63	20,620,388.63
1990	7,225,000.00	14,573,892.38	21,798,892.38
1991	8,240,000.00	15,275,401.13	23,515,401.13
1992	8,770,000.00	14,529,565.51	23,299,565.51
1993	10,110,000.00	16,610,720.57	26,720,720.57
1994	11,540,000.00	15,670,014.33	27,210,014.33
1995	13,690,000.00	16,312,826.27	30,002,826.27
1996	13,880,000.00	17,131,521.28	31,011,521.28
1997	14,790,000.00	17,175,506.28	31,965,506.28
1998	12,605,000.00	17,258,681.28	29,863,681.28
1999	14,210,000.00	18,152,123.78	32,362,123.78
2000	14,525,000.00	17,798,035.65	32,323,035.65
2001	15,690,000.00	17,488,317.53	33,178,317.53
2002	16,375,000.00	17,663,053.78	34,038,053.78
2003	15,325,000.00	15,878,275.62	31,203,275.62
2004	12,470,000.00	15,001,903.93	27,471,903.93
2005	13,075,000.00	14,905,332.54	27,980,332.54
2006	11,130,000.00	13,014,879.19	24,144,879.19
2007	11,735,000.00	13,626,462.52	25,361,462.52
2008	13,895,000.00	14,193,349.81	28,088,349.81
2009	14,270,000.00	14,664,012.52	28,934,012.52
2010	22,825,000.00	13,744,025.02	36,569,025.02
2011	0.00	12,298,715.85	12,298,715.85
2012	37,335,000.00	11,980,337.52	49,315,337.52
2013	20,615,000.00	8,737,650.98	29,352,650.98
2014	42,010,000.00	8,547,456.26	50,557,456.26
2015	32,695,000.00	6,982,318.76	39,677,318.76
2016	31,685,000.00	5,557,675.01	37,242,675.01
2017	25,865,000.00	4,248,706.26	30,113,706.26
2018	24,960,000.00	3,110,231.26	28,070,231.26
2019	12,295,000.00	2,281,631.26	14,576,631.26
2020	10,640,000.00	1,739,556.26	12,379,556.26
2021	10,355,000.00	1,241,006.26	11,596,006.26
2022	10,860,000.00	728,815.63	11,588,815.63
2023	9,320,000.00	233,000.00	9,553,000.00
TOTAL	\$ 592,649,240.00	\$ 486,055,129.58	\$ 1,078,704,369.58

Total principal issued includes refunding issuance of \$721,950,000 which does not count toward the \$725 million constitutional authorization. Total principal has also been reduced by \$80,000 of legally defeased bonds.

PUBLIC DEBT

STORMWATER CONTROL BONDS DEBT SERVICE

Under Article III, Section 37, Missouri Constitution, Missouri voters authorized selling \$200 million in stormwater control bonds. The General Assembly authorizes increments of bonds on a cash-as-needed basis to fund stormwater control projects. Excluding refunding issuances, the state has issued \$45 million in bonds. The Stormwater Control Bond and Interest Fund accepts a general revenue transfer one year in advance of payment of principal, interest, and fees.

Fiscal Year 2018 Governor's Recommendations

- \$1,783,125 for the transfer of general revenue for debt service on currently outstanding stormwater control bonds.

SUMMARY OF STORMWATER CONTROL BONDS ISSUANCES

<u>Issuance</u>	<u>Final Maturity Fiscal Year</u>	<u>Principal Amount Issued</u>	<u>Principal Amount Repaid</u>	<u>Principal Amount Refunded/Defeased</u>	<u>Principal Outstanding As of 1/1/17</u>
Series A 1999	Refunded	\$ 20,000,000	\$ 2,405,000	\$ 17,595,000	\$ 0
Series A 2001	Refunded	10,000,000	2,445,000	7,555,000	0
Series A 2002	2016	<u>15,000,000</u>	<u>4,885,000</u>	<u>10,115,000</u>	<u>0</u>
Totals Excluding Refunding Issuances		\$ 45,000,000	\$ 9,735,000	\$ 35,265,000	\$ 0
Series A 2005 Refunding	2016	17,175,000	16,270,000	905,000	0
Series A 2010 Refunding	2023	<u>15,150,000</u>	<u>5,915,000</u>	<u>0</u>	<u>9,235,000</u>
Totals Including Refunding Issuances		\$ 77,325,000	\$ 31,920,000	\$ 36,170,000	\$ 9,235,000

PUBLIC DEBT

**STORMWATER CONTROL BONDS
COMPOSITE SCHEDULE OF DEBT SERVICE REQUIREMENTS**

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL
2000	\$ 0.00	\$ 541,461.88	\$ 541,461.88
2001	445,000.00	1,070,352.51	1,515,352.51
2002	695,000.00	1,535,101.26	2,230,101.26
2003	725,000.00	1,820,680.01	2,545,680.01
2004	1,095,000.00	2,093,433.76	3,188,433.76
2005	1,145,000.00	2,037,133.76	3,182,133.76
2006	650,000.00	1,712,090.83	2,362,090.83
2007	680,000.00	1,899,170.00	2,579,170.00
2008	705,000.00	1,821,776.25	2,526,776.25
2009	730,000.00	1,754,907.50	2,484,907.50
2010	1,405,000.00	1,702,470.00	3,107,470.00
2011	0.00	1,487,812.22	1,487,812.22
2012	2,390,000.00	1,542,450.00	3,932,450.00
2013	4,580,000.00	1,376,100.00	5,956,100.00
2014	5,015,000.00	1,152,350.00	6,167,350.00
2015	5,325,000.00	904,750.00	6,229,750.00
2016	5,040,000.00	650,400.00	5,690,400.00
2017	1,295,000.00	494,125.00	1,789,125.00
2018	1,360,000.00	427,750.00	1,787,750.00
2019	1,425,000.00	358,125.00	1,783,125.00
2020	1,495,000.00	285,125.00	1,780,125.00
2021	1,570,000.00	208,500.00	1,778,500.00
2022	1,650,000.00	128,000.00	1,778,000.00
2023	1,735,000.00	43,375.00	1,778,375.00
TOTAL	\$ 41,155,000.00	\$ 27,047,439.98	\$ 68,202,439.98

Total principal issued includes refunding issuances of \$32,325,000 which does not count toward the \$200 million constitutional authorization. Total principal has also been reduced by \$1,875,000 of legally defeased bonds.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Financial and Administrative Services	\$ 303,240,869	\$ 336,805,742	\$ 336,829,262	\$ 341,552,742
Foundation Formula	3,260,655,852	3,344,691,268	3,392,907,149	3,347,912,937
Other Public School Aid	1,210,862,820	1,244,147,361	1,256,516,237	1,239,741,626
Division of Learning Services	852,331,901	926,411,287	966,057,303	957,424,642
Board Operated Schools	44,438,320	51,955,055	53,965,043	55,655,055
Missouri Public Charter School Commission	174,829	5,453,000	5,453,000	3,451,032
Missouri Commission for the Deaf and Hard of Hearing	468,472	748,984	738,758	728,984
Missouri Assistive Technology Council	3,087,739	4,384,909	4,384,909	4,384,909
Missouri Children's Services Commission	0	8,000	8,000	8,000
DEPARTMENTAL TOTAL	\$ 5,675,260,802	\$ 5,914,605,606 *	\$ 6,016,859,661	\$ 5,950,859,927
General Revenue Fund	3,236,263,033	3,318,174,889	3,391,766,890	3,294,940,542
Federal Funds	977,782,443	1,073,686,848	1,102,348,902	1,107,337,497
School District Bond Fund	429,376	492,000	492,000	492,000
Outstanding Schools Trust Fund ¹	200,062	60,488	60,488	2,450
Bingo Proceeds for Education Fund	1,775,147	1,876,355	1,876,355	1,876,355
Lottery Proceeds Fund	160,575,092	172,030,832	172,030,832	169,986,702
State School Moneys Fund ²	67,032,646	70,438,760	70,438,760	69,487,430
Excellence in Education Fund	1,897,854	2,947,889	2,947,889	2,947,889
School District Trust Fund ³	854,000,000	880,400,000	880,400,000	901,600,000
Missouri Charter Public School Commission Funds	0	2,750,000	2,750,000	2,750,000
Missouri Commission for the Deaf and Hard of Hearing Funds	114,584	303,437	303,437	303,437
Missouri Assistive Technology Council Funds	2,547,695	3,576,427	3,576,427	3,576,427
Classroom Trust Fund ⁴	329,899,995	343,971,832	343,971,832	351,663,349
Part C Early Intervention Fund	7,270,673	13,000,000	13,000,000	13,000,000
Early Childhood Development, Education and Care Fund	34,009,418	28,747,793	28,747,793	28,747,793
Other Funds	1,462,784	2,148,056	2,148,056	2,148,056
Total Full-time Equivalent Employees	1,584.75	1,693.76	1,693.76	1,683.51
General Revenue Fund	782.15	821.50	821.50	811.25
Federal Funds	787.30	854.26	853.51	853.51
Other Funds	15.30	18.00	18.75	18.75

* Does not include \$28,410,076 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Elementary and Secondary Education supplemental appropriations.

¹ Outstanding Schools Trust Fund receives transfers from general revenue.

² State School Moneys Fund receives transfers from General Revenue-County Foreign Insurance Tax, the Fair Share Fund, and revenues from cigarette taxes.

³ School District Trust Fund receives revenues generated by a one cent sales tax (Proposition C).

⁴ Classroom Trust Fund receives transfers from the Gaming Proceeds for Education Fund and unclaimed lottery prizes.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$5.9 billion for the Department of Elementary and Secondary Education. The core functions provided by the Department of Elementary and Secondary Education include:

- Administering educational policies of the state and supervising instruction in the public schools.
- Distributing school funding, including the Foundation Program and state and federal grant programs.
- Granting certificates of qualification and licenses to teach in the public schools of the state.
- Providing vocational rehabilitation services to Missourians with disabilities to help them obtain employment.

The department is supervised by the State Board of Education, which consists of eight members appointed by the Governor with the advice and consent of the Senate. The board appoints the Commissioner of Education as its chief administrative officer.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF FINANCIAL AND ADMINISTRATIVE SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Financial and Administrative Services	\$ 4,089,414	\$ 4,617,565	\$ 4,617,565
Early Grade Literacy	97,000	103,000	0
School Nutrition Services	297,210,609	321,443,177	321,443,177
School District Bond Program	429,376	492,000	492,000
Federal Grants and Donations	1,414,470	10,000,000	15,000,000
Community Partnerships	0	150,000	0
TOTAL	\$ 303,240,869	\$ 336,805,742	\$ 341,552,742
PERSONAL SERVICE			
General Revenue Fund	1,771,592	1,862,913	1,862,913
Federal Funds	1,576,325	1,951,468	1,951,468
EXPENSE AND EQUIPMENT			
General Revenue Fund	112,132	114,600	114,600
Federal Funds	2,665,044	2,502,584	2,705,584
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	3,509,151	3,666,151	3,413,151
Federal Funds	293,177,249	326,216,026	331,013,026
Other Funds	429,376	492,000	492,000
TOTAL			
General Revenue Fund	5,392,875	5,643,664	5,390,664
Federal Funds	297,418,618	330,670,078	335,670,078
Other Funds	429,376	492,000	492,000
Total Full-time Equivalent Employees	67.89	72.80	72.80
General Revenue Fund	34.02	36.60	36.60
Federal Funds	33.87	36.20	36.20

The Financial and Administrative Services Division provides administrative support for the department. These duties include the distribution of all federal and state funds to local school districts and other agencies and the supervision and administration of the Early Grade Literacy Program, School Food Services Program, School District Bond Program, and the Foundation Program. The division also provides assistance with school administrative and governance issues.

Fiscal Year 2018 Governor's Recommendations

- \$5,000,000 federal funds for new grants under the Every Student Succeeds Act of 2015.
- (\$253,000) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
PUBLIC SCHOOL AID**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Foundation - Formula	\$ 3,260,655,852	\$ 3,344,691,268	\$ 3,347,912,937
Foundation - Small Schools Program	15,000,000	15,000,000	15,000,000
Foundation - Transportation	100,297,713	105,297,713	69,273,102
Foundation - Early Childhood Special Education	169,182,550	170,840,842	183,209,718
Foundation - Career Education	50,069,027	50,069,028	50,069,028
Foundation - Early Childhood Development/PAT	17,462,250	18,000,000	18,000,000
School District Trust Fund	854,000,000	880,400,000	901,600,000
Virtual Education	389,778	589,778	2,589,778
St Louis Intra District Metro Transportation	194,000	0	0
Kansas City Intra District Metro Transportation	97,000	0	0
Critical Needs/Professional Development	762,736	700,000	0
Math and Science Tutoring Program	291,000	150,000	0
Urban Teaching Program	2,910,000	3,000,000	0
Kansas City Tutoring Program	97,000	100,000	0
Transfers	109,766	0	0
TOTAL	\$ 4,471,518,672	\$ 4,588,838,629	\$ 4,587,654,563
EXPENSE AND EQUIPMENT			
General Revenue Fund	198,594	125,000	198,000
Other Funds	129,848	279,278	279,278
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	3,070,271,383	3,137,477,705	3,110,382,620
Other Funds	1,400,918,847	1,450,956,646	1,476,794,665
TOTAL			
General Revenue Fund	3,070,469,977	3,137,602,705	3,110,580,620
Other Funds	1,401,048,695	1,451,235,924	1,477,073,943
Total Full-time Equivalent Employees	0.00	0.00	0.00

A multitude of programs and funding sources are used to ensure all Missouri children receive a quality education. The bulk of state aid is distributed to districts via the foundation formula. The foundation formula distributes state aid to Missouri schools based on a per-student adequacy target. State funds are distributed to school districts based on the adequacy target times the number of students, minus the funding provided through local property taxes collected in 2004 and other taxes. The formula provides additional funding for children struggling with the English language, financial constraints, and special needs. In addition, the formula uses a regional dollar value modifier to address cost of living differences throughout the state.

In addition to the State's General Revenue Fund, revenues from the Fair Share Fund, County Foreign Insurance Tax, Lottery Proceeds Fund, Gaming Proceeds for Education Fund, and the State Schools Moneys Fund are distributed via the foundation formula.

- Fair Share Fund revenues are generated from tax receipts from four cents per cigarette pack.
- County Foreign Insurance Tax revenues are generated from the receipts of a two percent, per annum tax levied on the direct premiums of insurance companies not based in Missouri but doing business in Missouri. One-half of the net receipts of the County Foreign Insurance Tax from the previous year are distributed to school districts.
- Lottery Proceeds Fund revenues are generated from Missouri State Lottery revenue.
- Gaming Proceeds for Education Fund revenues are generated from a tax on riverboat gaming adjusted gross receipts, which are distributed to school districts through the Classroom Trust Fund as a component of the foundation formula.
- State School Moneys Fund receives tax receipts from nine cents per cigarette pack.

Missouri's Public School Aid includes funding for foundation categorical add-on programs, including Early Childhood Special Education, Transportation, Career Education, and the Early Childhood Development Program.

The Small School Success Program provides additional funding for small school districts throughout the state. The School District Trust Fund provides additional funding distributed directly to districts to be used largely at their discretion. School District Trust Fund revenues are generated from Proposition C, which collects a one percent sales tax for elementary and secondary education.

The Missouri Virtual School allows children to enroll in online classes. For a fee, students have the option of enrolling full-time in the virtual school or enrolling part-time, allowing them to take courses not currently offered in their local school. Enrollment is open to all students, public or private, including homeschooled students. State funding provides access to the Missouri Virtual School for medically fragile students who are unable to attend class in their local school.

Fiscal Year 2018 Governor's Recommendations

- \$21,200,000 School District Trust Fund on an open-ended basis to distribute additional revenue to school districts.
- \$12,368,876 for the Early Childhood Special Education Program.
- \$7,691,517 Classroom Trust Fund for the foundation formula.
- \$2,000,000 for state-funded slots allowing students access to courses not offered in their resident school districts through the Missouri Virtual Instructional Program (MoVIP).
- (\$44,444,459) core reduction from the Fiscal Year 2017 appropriation level including (\$41,390,961) general revenue.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
DIVISION OF LEARNING SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Learning Services	\$ 11,065,811	\$ 14,312,219	\$ 14,312,219
Excellence In Education Fund	1,897,854	2,947,889	2,947,889
STEM Pilot Program	0	50,000	0
Dyslexia Programs	0	100,000	250,000
Title I Academic Standards and Assessments	250,000,000	250,000,000	260,000,000
Homeless and Comprehensive School Health	819,538	1,500,000	1,500,000
Stephen M Ferman Memorial for Gifted Education	2,139	9,027	9,027
Scholars and Fine Arts Academies	727,500	750,000	0
Early Childhood Program	12,676,202	14,791,841	12,791,841
Performance Based Assessment	17,704,577	25,583,468	21,583,468
Advanced Placement/Dual Credit	288,966	415,875	315,875
Title II Improve Teacher Quality	41,437,418	44,000,000	44,000,000
Charter Schools	1,108,487	2,432,000	2,432,000
Right from the Start	0	900,000	900,000
Title V, Part B - Rural and Low-Income Schools	3,242,765	3,500,000	3,500,000
Title III, Part A - Language Acquisition	5,400,000	5,400,000	5,800,000
Title IV, Part A - Student Support/Academic Enrichment	0	0	8,000,000
Federal Refugees	265,821	300,000	300,000
Character Education Initiatives	9,700	10,000	10,000
Trauma Informed	0	200,000	0
Teacher of the Year	0	40,000	40,000
Vocational Rehabilitation	110,287,290	118,543,459	126,347,718
Career Education	49,343,353	58,386,016	57,922,406
Special Education	346,054,480	382,239,493	394,462,199
TOTAL	\$ 852,331,901	\$ 926,411,287	\$ 957,424,642
PERSONAL SERVICE			
General Revenue Fund	3,441,934	3,619,355	3,619,355
Federal Funds	32,599,915	35,390,901	35,634,231
Other Funds	545,343	701,930	701,930
EXPENSE AND EQUIPMENT			
General Revenue Fund	20,585,469	10,060,998	19,335,891
Federal Funds	15,186,893	20,949,055	22,819,280
Other Funds	5,603,358	3,182,314	6,118,314
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	96,014,598	115,994,777	111,082,590
Federal Funds	630,302,836	679,643,975	704,181,069
Other Funds	48,051,555	56,867,982	53,931,982
TOTAL			
General Revenue Fund	120,042,001	129,675,130	134,037,836
Federal Funds	678,089,644	735,983,931	762,634,580
Other Funds	54,200,256	60,752,226	60,752,226
Total Full-time Equivalent Employees	833.38	887.06	887.06
General Revenue Fund	75.62	79.89	79.89
Federal Funds	747.30	795.17	794.42
Other Funds	10.46	12.00	12.75

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION DIVISION OF LEARNING SERVICES

Quality Schools – The Office of Quality Schools is responsible for the oversight of the Missouri School Improvement Program (MSIP), the accreditation/accountability system for public school districts. This office administers a wide range of state and federally funded programs that assist local schools (Title I, Title III, and other federal programs), charter and other innovative schools, as well as developing a statewide system of support for schools, communities, and families. Schools are also provided assistance on federal and state-developed improvement initiatives which are coordinated with other state and regional services. This office is also responsible for the oversight of the department's efforts to expand and to improve early and extended learning opportunities for children, and provides support for teachers, programs, parents, and families.

College and Career Readiness – The Office of College and Career Readiness provides technical assistance to local school personnel in the adoption and implementation of the state's performance standards and curriculum development for all content areas. This office assists comprehensive high schools, area career centers, and post-secondary institutions with the approval and monitoring of the Carl D. Perkins Career and Technical Education Act programming. This office is also responsible for the development and oversight of the Missouri Assessment Program (MAP), the administration of the National Assessment of Educational Progress (NAEP) and the ACT® for all 11th grade students.

Special Education – The Office of Special Education administers state and federal funds to support services for students and adults with disabilities. This office works with other state and local agencies to coordinate the Missouri First Steps Program, which provides early intervention services for infants and toddlers with disabilities and their families. The office works with local school districts in developing and improving special education services for students ages 3 to 21 with disabilities. Financial and technical support for all approved sheltered workshops in the state is provided through this office. Sheltered workshops provide employment for adults with disabilities. This office also oversees the operation of three school systems administered by the State Board of Education. These are the Missouri School for the Blind, the Missouri School for the Deaf, and the Missouri Schools for Severely Disabled. Through their outreach programs and consulting services, the schools assist local school personnel and families throughout the state in meeting the needs of children with disabilities.

Educator Quality – The Office of Educator Quality is responsible for approving public and private educator preparation programs. This office issues certificates (licenses) to all professional personnel who work in Missouri's schools, as well as assists with the review of certificate-holders who are charged with misconduct. This office is responsible for the implementation of teacher, principal, and administrator standards; as well as the implementation of Missouri's Educator Evaluation System.

Adult Learning and Rehabilitation Services – The Office of Adult Learning and Rehabilitation Services administers statewide adult education services, including adult education and literacy, the high school equivalency-testing program (GED), veteran's education, and the Troops to Teachers Program. The office provides specialized services to adult citizens with disabilities to help them achieve employment and independence. Offices are maintained across the state to provide convenient services to clients. Office personnel provide individualized counseling, training, and other services to help clients achieve gainful employment or independent living. This office currently administers Independent Living Center programs across the state. These centers provide counseling, advocacy, personal care, and training in independent living skills for adults with disabilities. The Disability Determinations Program is part of this office and operates under regulations of the Social Security Administration. Located in offices across the state, Disability Determinations Program personnel adjudicate claims from Missouri residents seeking federal disability benefits.

Data System Management – The Office of Data System Management is responsible for the development and implementation of the Missouri Comprehensive Data System (MCDS) which includes the student-level record system, Missouri Student Information System (MOSIS) and Core Data, a web-based data collection system of education-related statistics. The office collects and generates data to inform the public about school performance and to meet federal reporting requirements and compliance, as well as provides data utilized in research and analysis that impacts policy decision-making.

Fiscal Year 2018 Governor's Recommendations

- \$12,981,210 for the High Need Program.
- \$10,000,000 federal funds to support the Title I, Part A Improving the Academic Achievement of the Disadvantaged Program.
- \$8,000,000 federal funds to support the Title IV, Part A Student Support and Academic Enrichment Program.
- \$6,677,682 federal funds for Vocational Rehabilitation program costs including the Workforce Innovation and Opportunities Act of 2014.
- \$1,810,577 federal funds for Disability Determinations program costs.
- \$400,000 federal funds to support the Title III, Part A Language Acquisition Program.
- \$150,000 for dyslexia programs.
- (\$8,922,114) core reduction from the Fiscal Year 2017 appropriation level, including (\$8,768,504) general revenue.
- (\$84,000) federal funds transferred to the Office of Administration for state-owned buildings costs.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
BOARD OPERATED SCHOOLS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Board Operated Schools	\$ 43,338,747	\$ 50,205,555	\$ 53,905,555
School for the Deaf Trust Fund	23,064	49,500	49,500
School for the Blind Trust Fund	1,076,509	1,500,000	1,500,000
Handicapped Children's Trust Fund	0	200,000	200,000
TOTAL	\$ 44,438,320	\$ 51,955,055	\$ 55,655,055
PERSONAL SERVICE			
General Revenue Fund	23,127,233	27,720,448	27,020,448
Federal Funds	110,412	722,689	722,689
EXPENSE AND EQUIPMENT			
General Revenue Fund	16,693,487	14,796,194	17,273,594
Federal Funds	1,623,725	4,591,668	6,591,668
Other Funds	2,866,416	3,600,854	3,116,362
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	8,743	88,201	10,801
Federal Funds	0	410,000	410,000
Other Funds	8,304	25,001	509,493
TOTAL			
General Revenue Fund	39,829,463	42,604,843	44,304,843
Federal Funds	1,734,137	5,724,357	7,724,357
Other Funds	2,874,720	3,625,855	3,625,855
Total Full-time Equivalent Employees	667.27	714.90	704.65
General Revenue Fund	664.59	696.01	685.76
Federal Funds	2.68	18.89	18.89

The State Board of Education operates two residential facilities, the Missouri School for the Blind in St. Louis and the Missouri School for the Deaf in Fulton, and day-school facilities – the Missouri Schools for the Severely Disabled located throughout the state. The Department of Elementary and Secondary Education oversees the distribution of state, federal, and private donations to these institutions.

- The Missouri School for the Blind offers elementary and secondary education in a residential school environment for blind or visually impaired students from ages 5 to 21 years.
- The Missouri School for the Deaf provides elementary and secondary education in a residential school environment for deaf- or hearing-impaired students from ages 5 to 21 years.
- For students too severely disabled to be served effectively by local public schools, the department operates 34 state schools and contracts with private non-profit agencies to provide educational services for children the state schools cannot practically serve. These schools offer day programs in basic and prevocational training with the ultimate goal of assisting students in functioning semi-independently in their homes and communities.

In addition to providing direct services to eligible students, these school systems, through their outreach programs and consulting services, assist local school personnel and families throughout the state in meeting the needs of children with disabilities.

Fiscal Year 2018 Governor's Recommendations

- \$2,400,000 for contracted transportation services.
- \$2,000,000 federal funds to support Medicaid expenses for the state schools.
- (\$700,000) and (10.25) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
MISSOURI PUBLIC CHARTER SCHOOL COMMISSION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Public Charter School Commission			
TOTAL	\$ 174,829	\$ 5,453,000	\$ 3,451,032
PERSONAL SERVICE			
General Revenue Fund	145,008	153,000	153,000
EXPENSE AND EQUIPMENT			
General Revenue Fund	29,821	50,000	48,032
Federal Funds	0	250,000	250,000
Other Funds	0	1,002,000	1,002,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	2,000,000	0
Federal Funds	0	250,000	250,000
Other Funds	0	1,748,000	1,748,000
TOTAL			
General Revenue Fund	174,829	2,203,000	201,032
Federal Funds	0	500,000	500,000
Other Funds	0	2,750,000	2,750,000
Total Full-time Equivalent Employees	1.00	2.00	2.00
General Revenue Fund	1.00	2.00	2.00

The Missouri Public Charter School Commission is assigned to the Department of Elementary and Secondary Education for budgetary purposes. The Commission was established by state statute in 2012 with the authority to sponsor high-quality charter schools throughout the state. The Commission shall consist of nine members and may approve proposed charters for its sponsorship under Sections 160.400 and 160.425, RSMo.

Fiscal Year 2018 Governor's Recommendations

- (\$2,000,000) core reduction from the Fiscal Year 2017 appropriation level.
- (\$1,968) transferred to the Office of Administration.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
MISSOURI COMMISSION FOR THE DEAF AND HARD OF HEARING**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Commission for the Deaf and Hard of Hearing TOTAL	\$ 468,472	\$ 748,984	\$ 728,984
PERSONAL SERVICE			
General Revenue Fund	275,073	312,476	312,476
Other Funds	0	34,437	34,437
EXPENSE AND EQUIPMENT			
General Revenue Fund	78,815	132,571	112,571
Other Funds	103,090	268,900	170,900
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	500	500
Other Funds	11,494	100	98,100
TOTAL			
General Revenue Fund	353,888	445,547	425,547
Other Funds	114,584	303,437	303,437
Total Full-time Equivalent Employees	6.92	7.00	7.00
General Revenue Fund	6.92	7.00	7.00

The Missouri Commission for the Deaf and Hard of Hearing and the Board for Certification of Interpreters are assigned to the Department of Elementary and Secondary Education for budgetary purposes. Established in 1988, the commission advocates public policies, regulations, and programs to improve the quality and coordination of existing services for deaf persons and promotes new services when necessary. The commission promotes deaf awareness for the general public and for state agencies; develops and maintains quality interpreting services; maintains a website and information/referral network regarding services for deaf and hard of hearing people; and provides liaison efforts with elementary and secondary schools, colleges/universities, hospitals, prisons, Centers for Independent Living, and others. The commission also maintains a census of the deaf and hard of hearing population of Missouri.

Fiscal Year 2018 Governor's Recommendations

- (\$20,000) core reduction for one-time expenditures.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
MISSOURI ASSISTIVE TECHNOLOGY COUNCIL**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Assistive Technology Council			
TOTAL	\$ 3,087,739	\$ 4,384,909	\$ 4,384,909
PERSONAL SERVICE			
Federal Funds	169,884	238,344	238,344
Other Funds	228,697	281,724	281,724
EXPENSE AND EQUIPMENT			
Federal Funds	144,877	116,245	116,245
Other Funds	76,453	396,789	396,789
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	225,283	453,893	453,893
Other Funds	2,242,545	2,897,914	2,897,914
TOTAL			
Federal Funds	540,044	808,482	808,482
Other Funds	2,547,695	3,576,427	3,576,427
Total Full-time Equivalent Employees	8.29	10.00	10.00
Federal Funds	3.45	4.00	4.00
Other Funds	4.84	6.00	6.00

The Missouri Assistive Technology Council is assigned to the Department of Elementary and Secondary Education for budgetary purposes. The council, established in 1993, supports increased access to assistive technology for Missourians of all ages with all types of disabilities. The council provides adaptive telecommunication devices and computer adaptations, short-term loan of a full range of assistive technology, used equipment exchange, and low-interest loans for the purchase of assistive technology and home modifications.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
MISSOURI CHILDREN'S SERVICES COMMISSION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Children's Services Commission			
TOTAL	\$ 0	\$ 8,000	\$ 8,000
EXPENSE AND EQUIPMENT			
TOTAL			
Other Funds	0	8,000	8,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Missouri Children's Services Commission is assigned to the Department of Elementary and Secondary Education for budgetary purposes. The Commission, created in 1983, takes a leadership role in identifying and in evaluating programs and state services that affect the children of Missouri.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF HIGHER EDUCATION

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Higher Education Coordination	\$ 794,370	\$ 2,108,628	\$ 1,358,628	\$ 858,628
Proprietary School Regulation	213,349	708,171	708,171	708,171
Midwestern Higher Education Compact	115,000	115,000	115,000	115,000
Federal Education Programs	1,204,163	2,507,164	2,497,164	3,347,164
Financial Aid	209,443,483	297,751,938	255,263,658	259,251,938
Higher Education Initiatives	24,565,251	65,042,765	24,850,000	0
Community Colleges	141,139,346	151,874,958	157,769,796	143,041,815
Technical Colleges	5,256,136	5,857,971	6,077,331	5,523,220
Four-Year Colleges and Universities	743,939,360	776,764,180	807,342,747	733,381,709
University of Missouri - Related Programs	8,057,419	14,023,495	14,023,495	11,302,245
DEPARTMENTAL TOTAL	\$ 1,134,727,877	\$ 1,316,754,270 *	\$ 1,270,005,990	\$ 1,157,529,890
General Revenue Fund	905,506,239	996,919,324	994,672,007	880,704,944
Federal Funds	1,181,463	2,248,806	2,248,806	2,248,806
Missouri Student Grant Program Gift Fund	0	50,000	50,000	50,000
Lottery Proceeds Fund	124,137,545	127,978,700	127,978,700	127,978,700
Department of Higher Education Out-of-State Program Fund	22,593	55,483	55,483	55,483
Spinal Cord Injury Fund	1,500,000	1,500,000	1,500,000	2,000,000
State Seminary Moneys Fund	46,750	275,000	275,000	275,000
Healthy Families Trust Fund	437,640	437,640	437,640	437,640
State Board of Nursing Fund	0	2,000,000	0	0
Missouri Prospective Teachers Loan Fund	1	0	0	0
Proprietary School Certification Fund	213,349	308,171	308,171	308,171
GEAR-UP Scholarship Fund	3,500,131	0	0	0
Proprietary School Bond Fund	0	400,000	400,000	400,000
Advantage Missouri Trust Fund	50,000	50,000	50,000	50,000
Seminary Fund	0	3,000,000	3,000,000	3,000,000
Guaranty Agency Operating Fund	10,231,935	17,322,788	14,831,825	14,822,788
Federal Student Loan Reserve Fund	87,868,935	160,000,000	120,000,000	120,000,000
State Institutions Gift Trust Fund	22,700	4,108,358	4,098,358	5,098,358
Clark and Lewis Discovery Fund	96	0	0	0
AP Incentive Grant Fund	8,500	100,000	100,000	100,000
Total Full-time Equivalent Employees	56.51	79.70	79.70	79.70
General Revenue Fund	9.13	14.03	14.03	14.03
Federal Funds	0.72	1.00	1.00	1.00
Other Funds	46.66	64.67	64.67	64.67

* Does not include \$1,014,700 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Higher Education supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$1.16 billion for the Department of Higher Education. The core functions provided by the Department of Higher Education include:

- Supporting Missouri's two- and four-year institutions of higher education. Missouri's higher education institutions play a critical role in supplying the skilled workers that are necessary to stimulate economic growth in the state.
- Providing financial assistance to allow Missouri students access to higher education and encourage the state's top academic achievers to attend Missouri higher education institutions.
- Planning for post-secondary education, evaluating institutional missions and performance, regulating proprietary institutions, and approving new degree programs offered by public colleges and universities.

**DEPARTMENT OF HIGHER EDUCATION
HIGHER EDUCATION COORDINATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Higher Education Coordination TOTAL	\$ 794,370	\$ 2,108,628	\$ 858,628
PERSONAL SERVICE			
General Revenue Fund	351,844	373,100	373,100
Other Funds	261,774	282,621	282,621
EXPENSE AND EQUIPMENT			
General Revenue Fund	136,409	540,703	140,703
Other Funds	44,343	62,204	62,204
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	850,000	0
TOTAL			
General Revenue Fund	488,253	1,763,803	513,803
Other Funds	306,117	344,825	344,825
Total Full-time Equivalent Employees	11.05	17.76	17.76
General Revenue Fund	6.33	11.18	11.18
Other Funds	4.72	6.58	6.58

This program includes the Commissioner of Higher Education, the general administrative staff, and the expenses of the Coordinating Board. Under direction of the Coordinating Board, the administrative staff reviews and coordinates the programs of approximately 59 public and private institutions of higher education. Staff also prepares the Coordinating Board's budget recommendations for public colleges and universities. Other program responsibilities include collecting and distributing student enrollment data and reviewing and approving proposed new degree programs at public institutions.

Fiscal Year 2018 Governor's Recommendations

- (\$750,000) core reduction for one-time expenditures.
- (\$500,000) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF HIGHER EDUCATION
PROPRIETARY SCHOOL REGULATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Proprietary School Regulation	\$ 213,349	\$ 308,171	\$ 308,171
Proprietary School Bond	0	400,000	400,000
TOTAL	\$ 213,349	\$ 708,171	\$ 708,171
PERSONAL SERVICE	190,524	216,023	216,023
EXPENSE AND EQUIPMENT	22,325	92,148	92,148
PROGRAM SPECIFIC DISTRIBUTION	500	400,000	400,000
TOTAL			
Other Funds	213,349	708,171	708,171
Total Full-time Equivalent Employees	4.40	5.00	5.00
Other Funds	4.40	5.00	5.00

Sections 173.600 through 173.619, RSMo, provide for the regulation of proprietary schools operating in the state of Missouri. There are approximately 168 proprietary schools in operation. The Coordinating Board is charged with the authority to issue, revoke, or suspend certificates of approval ensuring that proprietary schools meet minimum state standards, place schools on probation, require each school to file a security bond, and collect data from certified proprietary schools.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF HIGHER EDUCATION
MIDWESTERN HIGHER EDUCATION COMPACT**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Midwestern Higher Education Compact TOTAL	\$ 115,000	\$ 115,000	\$ 115,000
EXPENSE AND EQUIPMENT General Revenue Fund	115,000	115,000	115,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Midwestern Higher Education Compact is a consortium of states that work together on student exchange agreements, higher education research and policy development, and cost saving programs in which Missouri institutions may participate. Membership in the organization requires payment of annual dues. Missouri became a member state of the Midwestern Higher Education Compact pursuant to the provisions of Sections 173.700 through 173.708, RSMo.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF HIGHER EDUCATION
FEDERAL EDUCATION PROGRAMS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Improving Teacher Quality State Grants Program	\$ 1,181,463	\$ 1,248,806	\$ 1,248,806
Federal Grants and Donations	0	1,000,000	1,000,000
Other Grants and Donations	22,700	258,358	1,098,358
TOTAL	\$ 1,204,163	\$ 2,507,164	\$ 3,347,164
PERSONAL SERVICE			
Federal Funds	33,463	38,806	38,806
State Institutions Gift Trust Fund	16,903	23,358	23,358
EXPENSE AND EQUIPMENT			
Federal Funds	6,351	1,009,000	1,009,000
State Institutions Gift Trust Fund	5,797	32,000	22,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue	0	150,000	0
Federal Funds	1,141,649	1,201,000	1,201,000
State Institutions Gift Trust Fund	0	53,000	1,053,000
TOTAL			
General Revenue	0	150,000	0
Federal Funds	1,181,463	2,248,806	2,248,806
State Institutions Gift Trust Fund	22,700	108,358	1,098,358
Total Full-time Equivalent Employees	1.11	2.00	2.00
Federal Funds	0.72	1.00	1.00
Other Funds	0.39	1.00	1.00

The Improving Teacher Quality State Grants Program provides federal funds for the improvement of instruction in the core subject areas in grades K-12. The Department of Higher Education administers its portion of these funds through a competitive grant process. The funds are used to design and develop professional development projects addressing the needs of K-12 teachers in the targeted core academic subjects of mathematics and science.

In addition, department staff will continue to pursue federal grants, foundation resources, and private donations to support new programs.

Fiscal Year 2018 Governor's Recommendations

- \$1,000,000 State Institutions Gift Trust Fund on an open-ended basis for receiving and expending grants from non-federal sources.
- (\$150,000) core reduction from the Fiscal Year 2017 appropriation level.
- (\$10,000) State Institutions Gift Trust Fund core reduction for one-time expenditures.

**DEPARTMENT OF HIGHER EDUCATION
FINANCIAL AID**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
GRANTS AND SCHOLARSHIPS			
Administration	\$ 139,263	\$ 149,604	\$ 149,604
Academic Scholarship Program	15,206,366	18,176,666	22,176,666
Access Missouri Financial Assistance Program	57,844,935	63,682,307	63,682,307
A+ Schools Scholarship Program	34,059,927	37,613,326	37,613,326
Advanced Placement Grants	8,500	100,000	100,000
Public Service Survivor Grant Program	84,562	140,000	140,000
Vietnam Veterans Survivors Scholarship Program	40,525	0	0
Marguerite Ross Barnett Scholarship Program	352,474	413,375	413,375
Veteran's Survivors Grant Program	201,438	241,250	241,250
Minority Teaching Scholarship Program	162,136	169,000	169,000
Minority and Underrepresented Environmental Literacy Program	25,880	32,964	32,964
GEAR UP PROGRAM	3,500,131	0	0
MISSOURI STUDENT LOAN PROGRAM	97,817,346	177,033,446	134,533,446
TOTAL	\$ 209,443,483	\$ 297,751,938	\$ 259,251,938
PERSONAL SERVICE			
General Revenue Fund	112,728	119,429	119,429
Other Funds	1,679,483	2,317,753	2,317,753
EXPENSE AND EQUIPMENT			
General Revenue Fund	26,535	30,175	30,175
Other Funds	7,523,841	13,325,692	10,825,692
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	75,197,178	82,623,773	86,623,773
Other Funds	124,903,718	199,335,116	159,335,116
TOTAL			
General Revenue Fund	75,336,441	82,773,377	86,773,377
Other Funds	134,107,042	214,978,561	172,478,561
Total Full-time Equivalent Employees	39.95	54.94	54.94
General Revenue Fund	2.80	2.85	2.85
Other Funds	37.15	52.09	52.09

ADMINISTRATION OF STATE GRANT AND SCHOLARSHIP PROGRAMS

Administration of state grant and scholarship programs includes determining an applicant's eligibility for a grant, determining the amount of individual grants, issuing payments, and monitoring school financial aid offices for compliance with program requirements. In Fiscal Year 2017, it is anticipated that approximately 70,000 grants and scholarships totaling more than \$115 million will be distributed by the department.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

ACADEMIC SCHOLARSHIP PROGRAM

The Academic Scholarship ("Bright Flight") Program provides scholarships of up to \$3,000 for Missouri high school graduating seniors scoring in the top three percent of all Missouri students taking either the American College Test (ACT) or the Scholastic Aptitude Test (SAT) of the College Board. The students must use the scholarship to attend a Missouri college or university. The scholarships are renewable up to a total of ten semesters or until the first bachelor's degree is received, whichever occurs first.

Fiscal Year 2018 Governor's Recommendations

- \$4,000,000 to support the Academic Scholarship (Bright Flight) Program.

DEPARTMENT OF HIGHER EDUCATION FINANCIAL AID

ACCESS MISSOURI FINANCIAL ASSISTANCE PROGRAM

The Access Missouri Financial Assistance Program provides need-based scholarships to eligible Missouri residents. Need is determined based on the student's expected family contribution with different award amounts depending on the type of higher education institution the student attends. Students attending public and private four-year colleges and universities are eligible to receive up to \$2,850 in taxpayer-funded scholarships and students attending community colleges are eligible to receive up to \$1,300.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

A+ SCHOOLS SCHOLARSHIP PROGRAM

The A+ Schools Scholarship Program provides for two years of tuition reimbursement at public community colleges or vocational or technical schools and certain private, non-profit technical schools for qualified students who graduate from an A+ high school, earn a GPA of at least 2.5, have at least a 95 percent attendance record, and fulfill community service requirements.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

ADVANCED PLACEMENT GRANTS

Under this initiative, Access Missouri Financial Assistance Program and A+ Schools Scholarship Program recipients who achieve a passing score on at least two Advanced Placement exams in science or math while attending a Missouri public high school will receive a \$500 grant.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

PUBLIC SERVICE SURVIVOR GRANT PROGRAM

The Public Service Survivor Grant Program provides educational benefits to the children and spouses of certain public employees killed or permanently and totally disabled in the line of duty. An eligible child, up to the age of 24, or an eligible spouse may receive a grant to enroll in a program leading to a certificate, associate degree, or baccalaureate degree at an approved public or private post-secondary institution. The grant may not exceed the amount paid in tuition by a full-time undergraduate Missouri resident at the University of Missouri.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MARGUERITE ROSS BARNETT SCHOLARSHIP PROGRAM

The Marguerite Ross Barnett Scholarship Program provides grants to part-time undergraduate students who are employed and compensated for at least 20 hours per week and who have financial need. The maximum award may not exceed the amount of tuition paid by a part-time undergraduate Missouri resident at the University of Missouri.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF HIGHER EDUCATION FINANCIAL AID

VETERAN'S SURVIVORS GRANT PROGRAM

The Veteran's Survivors Grant Program provides up to 25 grants to spouses or children of Missouri veterans who died or became at least 80 percent disabled as a result of injuries or accidents sustained in combat action after September 11, 2001. The maximum award may not exceed the amount of tuition paid by a full-time undergraduate Missouri resident at the University of Missouri plus up to a \$2,000 room and board allowance and a \$500 book allowance per semester.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MINORITY TEACHING SCHOLARSHIP PROGRAM

The Minority Teaching Scholarship Program provides \$2,000 scholarships to Missouri minority high school graduates and college students who enter and make a commitment to pursue a teacher education program and who meet specified academic standards.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MINORITY AND UNDERREPRESENTED ENVIRONMENTAL LITERACY PROGRAM

The Minority and Underrepresented Environmental Literacy Program provides scholarships to full-time minority and underrepresented students who pursue a bachelor's or master's degree in an environmental-related field of study at a Missouri college or university and who meet specified academic standards.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MISSOURI STUDENT LOAN PROGRAM AND ADMINISTRATION

The Missouri Student Loan Program administers a program that has provided repayable guaranteed student loans to parents and students through commercial lending institutions since 1979. Since its inception, the program has guaranteed nearly 3 million loans totaling over \$10.9 billion. Because of changes in federal law, the department no longer has authority to guarantee new federal student loans as of July 1, 2010. However, the department will continue to fulfill the responsibilities related to its \$1.6 billion portfolio of outstanding guaranteed and defaulted loans. The Missouri Student Loan Program uses private contractors to aid in servicing and collecting loans. Loan program staff perform general loan program administration and oversight functions. Loan program staff also work closely with lenders, schools, and borrowers to prevent loan defaults. In addition, loan program staff provide numerous outreach services to inform students, parents, and schools about financial aid, college preparation, financial literacy, and debt management.

Fiscal Year 2018 Governor's Recommendations

- (\$42,500,000) other funds core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF HIGHER EDUCATION
HIGHER EDUCATION INITIATIVES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Funding Based on Improved Outcomes	\$ 11,640,001	\$ 37,192,765	\$ 0
Pharmacy Doctorate Program	1,940,000	2,000,000	0
University of Missouri Cooperative Medicine Program	9,700,000	10,000,000	0
Missouri State University Occupational Therapy Program	1,285,250	0	0
Nursing Program Grants	0	2,000,000	0
Cooperative Dental Program	0	3,000,000	0
Autism Services and Training	0	1,000,000	0
College Preparation Program	0	450,000	0
Engineering Expansion	0	2,000,000	0
University of Missouri - Science & Technology Engineering Program	0	1,000,000	0
University of Missouri - Science & Technology Project Lead the Way	0	400,000	0
Southeast Missouri State University Cyber Security Program	0	500,000	0
University of Missouri - Kansas City Medical Student Training	0	2,000,000	0
University of Missouri - Kansas City Tier 1 Medical Student Training	0	3,000,000	0
Harris-Stowe State University Graduate Program	0	500,000	0
TOTAL	\$ 24,565,251	\$ 65,042,765	\$ 0
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	24,565,251	63,042,765	0
State Board of Nursing Fund	0	2,000,000	0
Total Full-time Equivalent Employees	0.00	0.00	0.00

**DEPARTMENT OF HIGHER EDUCATION
HIGHER EDUCATION INITIATIVES**

Fiscal Year 2018 Governor's Recommendations

- (\$37,192,765) in Fiscal Year 2017 funding based on improved outcomes reallocated to the higher education institutions:
 - (\$277,370) reallocated to Crowder College
 - (\$233,503) reallocated to East Central College
 - (\$263,837) reallocated to Jefferson College
 - (\$1,081,603) reallocated to Metropolitan Community College
 - (\$183,220) reallocated to Mineral Area College
 - (\$253,759) reallocated to Moberly Area Community College
 - (\$138,833) reallocated to North Central Missouri College
 - (\$672,692) reallocated to Ozarks Technical Community College
 - (\$373,491) reallocated to St. Charles Community College
 - (\$1,946,573) reallocated to St. Louis Community College
 - (\$254,613) reallocated to State Fair Community College
 - (\$215,344) reallocated to Three Rivers College
 - (\$219,360) reallocated to the State Technical College of Missouri
 - (\$2,313,024) reallocated to the University of Central Missouri
 - (\$2,010,424) reallocated to Southeast Missouri State University
 - (\$3,822,572) reallocated to Missouri State University
 - (\$687,332) reallocated to Lincoln University
 - (\$1,571,549) reallocated to Truman State University
 - (\$947,751) reallocated to Northwest Missouri State University
 - (\$893,094) reallocated to Missouri Southern State University
 - (\$824,621) reallocated to Missouri Western State University
 - (\$77,601) reallocated to Harris-Stowe State University
 - (\$17,930,599) reallocated to the University of Missouri
- (\$24,850,000) core reduction from the Fiscal Year 2017 appropriation level.
 - (\$10,000,000) from the University of Missouri Cooperative Medicine Program
 - (\$5,000,000) from the University of Missouri Medical Resident Training Program
 - (\$3,000,000) from the Missouri Southern State University and the University of Missouri Cooperative Dental Program
 - (\$2,000,000) from the Missouri State University Engineering Program Expansion
 - (\$2,000,000) from the Missouri State University Pharmacy Doctorate Program
 - (\$1,000,000) from the University of Missouri – Science and Technology Clay County Engineering Program
 - (\$500,000) from the Southeast Missouri State University Cyber Security Training Program
 - (\$500,000) from the Harris-Stowe State University Graduate and STEM Education Programs
 - (\$450,000) from the College Preparation Program
 - (\$400,000) from the University of Missouri – Science and Technology Project Lead the Way expansion
- (\$2,000,000) State Board of Nursing Fund transferred to the Department of Insurance, Financial Institutions and Professional Registration.
- (\$1,000,000) core reduction for one-time expenditures.

**DEPARTMENT OF HIGHER EDUCATION
PUBLIC COMMUNITY COLLEGES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Crowder College	\$ 5,071,809	\$ 5,649,964	\$ 5,382,342
East Central College	5,371,632	5,766,494	5,438,520
Jefferson College	7,850,704	8,420,001	7,869,185
Metropolitan Community College	32,429,022	34,504,580	32,301,295
Mineral Area College	5,355,566	5,849,051	5,470,296
Moberly Area Community College	5,709,859	6,305,949	5,931,618
North Central Missouri College	2,589,086	2,799,303	2,661,211
Ozarks Technical Community College	12,206,137	13,778,985	13,076,733
St. Charles Community College	8,436,849	9,259,162	8,718,062
St. Louis Community College	45,461,862	47,880,271	45,208,411
State Fair Community College	5,787,255	6,312,844	5,948,921
Three Rivers Community College	4,869,565	5,348,354	5,035,221
TOTAL	\$ 141,139,346	\$ 151,874,958	\$ 143,041,815
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	130,964,055	141,384,967	132,551,824
Lottery Proceeds Fund	10,175,291	10,489,991	10,489,991
TOTAL			
General Revenue Fund	130,964,055	141,384,967	132,551,824
Lottery Proceeds Fund	10,175,291	10,489,991	10,489,991
Total Full-time Equivalent Employees			
	0.00	0.00	0.00

Missouri's public community colleges include the following 12 institutions (19 campuses): Crowder College in Neosho, East Central College in Union, Jefferson College in Hillsboro, Metropolitan Community College – five campuses in the Kansas City area, Mineral Area College in Park Hills, Moberly Area Community College in Moberly, North Central Missouri College in Trenton, Ozarks Technical Community College in Springfield, St. Charles Community College in St. Peters, St. Louis Community College – four campuses in St. Louis City and County, State Fair Community College in Sedalia, and Three Rivers College in Poplar Bluff.

Fiscal Year 2018 Governor's Recommendations

- \$5,894,838 reallocated from Fiscal Year 2017 funding based on improved outcomes:
 - \$277,370 reallocated to Crowder College
 - \$233,503 reallocated to East Central College
 - \$263,837 reallocated to Jefferson College
 - \$1,081,603 reallocated to Metropolitan Community College
 - \$183,220 reallocated to Mineral Area College
 - \$253,759 reallocated to Moberly Area Community College
 - \$138,833 reallocated to North Central Missouri College
 - \$672,692 reallocated to Ozarks Technical Community College
 - \$373,491 reallocated to St. Charles Community College
 - \$1,946,573 reallocated to St. Louis Community College
 - \$254,613 reallocated to State Fair Community College
 - \$215,344 reallocated to Three Rivers College
- (\$14,727,981) core reduction from the Fiscal Year 2017 appropriation level.
 - (\$544,992) from Crowder College
 - (\$561,477) from East Central College
 - (\$814,653) from Jefferson College
 - (\$3,284,888) from Metropolitan Community College
 - (\$561,975) from Mineral Area College
 - (\$628,090) from Moberly Area Community College
 - (\$276,925) from North Central Missouri College
 - (\$1,374,944) from Ozarks Technical Community College
 - (\$914,591) from St. Charles Community College
 - (\$4,618,433) from St. Louis Community College
 - (\$618,536) from State Fair Community College
 - (\$528,477) from Three Rivers College

**DEPARTMENT OF HIGHER EDUCATION
STATE TECHNICAL COLLEGE OF MISSOURI**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
State Technical College of Missouri TOTAL	\$ 5,256,136	\$ 5,857,971	\$ 5,523,220
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	4,736,006	5,321,754	4,987,003
Lottery Proceeds Fund	520,130	536,217	536,217
TOTAL			
General Revenue Fund	4,736,006	5,321,754	4,987,003
Lottery Proceeds Fund	520,130	536,217	536,217
Total Full-time Equivalent Employees	0.00	0.00	0.00

Sections 178.631 through 178.640, RSMo, establish the State Technical College of Missouri with a statewide mission to offer highly specialized and advanced technical education and training at the certificate and associate degree level.

Fiscal Year 2018 Governor's Recommendations

- \$219,360 reallocated from Fiscal Year 2017 funding based on improved outcomes.
- (\$554,111) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF HIGHER EDUCATION
PUBLIC FOUR-YEAR INSTITUTIONS OF HIGHER EDUCATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
University of Central Missouri	\$ 55,021,303	\$ 57,399,456	\$ 54,346,328
Southeast Missouri State University	45,239,473	47,307,674	44,879,864
Missouri State University	82,661,950	87,826,944	83,451,576
Lincoln University	18,123,417	20,400,792	17,860,719
Truman State University	41,324,001	43,110,124	40,671,122
Northwest Missouri State University	30,888,721	32,223,806	30,188,675
Missouri Southern State University	23,459,665	24,415,963	23,021,302
Missouri Western State University	21,586,490	22,523,461	21,252,706
Harris-Stowe State University	9,891,839	10,319,388	9,472,188
University of Missouri	415,742,501	431,236,572	408,237,229
TOTAL	\$ 743,939,360	\$ 776,764,180	\$ 733,381,709
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	663,228,204	693,556,803	650,174,332
Lottery Proceeds Fund	80,711,156	83,207,377	83,207,377
TOTAL			
General Revenue Fund	663,228,204	693,556,803	650,174,332
Lottery Proceeds Fund	80,711,156	83,207,377	83,207,377
Total Full-time Equivalent Employees	0.00	0.00	0.00

Missouri's public, four-year institutions of higher education include the following ten institutions: the University of Central Missouri at Warrensburg, Harris-Stowe State University at St. Louis, Lincoln University at Jefferson City, Missouri Southern State University at Joplin, Missouri Western State University at St. Joseph, Northwest Missouri State University at Maryville, Southeast Missouri State University at Cape Girardeau, Missouri State University at Springfield, Truman State University at Kirksville, and the University of Missouri system.

Fiscal Year 2018 Governor's Recommendations

- \$31,078,567 reallocated from Fiscal Year 2017 funding based on improved outcomes:
 - \$2,313,024 reallocated to the University of Central Missouri
 - \$2,010,424 reallocated to Southeast Missouri State University
 - \$3,822,572 reallocated to Missouri State University
 - \$687,332 reallocated to Lincoln University
 - \$1,571,549 reallocated to Truman State University
 - \$947,751 reallocated to Northwest Missouri State University
 - \$893,094 reallocated to Missouri Southern State University
 - \$824,621 reallocated to Missouri Western State University
 - \$77,601 reallocated to Harris-Stowe State University
 - \$17,930,599 reallocated to the University of Missouri
- (\$73,961,038) core reduction from the Fiscal Year 2017 appropriation level.
 - (\$5,366,152) from the University of Central Missouri
 - (\$4,438,234) from Southeast Missouri State University
 - (\$8,197,940) from Missouri State University
 - (\$3,227,405) from Lincoln University
 - (\$4,010,551) from Truman State University
 - (\$2,982,882) from Northwest Missouri State University
 - (\$2,287,755) from Missouri Southern State University
 - (\$2,095,376) from Missouri Western State University
 - (\$924,801) from Harris-Stowe State University
 - (\$40,429,942) from the University of Missouri
- (\$500,000) core reduction for one-time expenditures.

**DEPARTMENT OF HIGHER EDUCATION
UNIVERSITY OF MISSOURI – RELATED PROGRAMS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
University of Missouri-Kansas City Neighborhoods Initiative	\$ 485,000	\$ 400,000	\$ 0
University of Missouri-St. Louis International Collaboration	291,000	450,000	0
Missouri Telehealth Network	1,892,640	3,437,640	1,816,390
Missouri Kidney Program	1,697,500	1,750,000	1,750,000
State Historical Society	2,144,529	3,210,855	2,460,855
Spinal Cord Injury Research	1,500,000	1,500,000	2,000,000
State Seminary Investments	0	3,000,000	3,000,000
State Seminary Income on Investments	46,750	275,000	275,000
TOTAL	\$ 8,057,419	\$ 14,023,495	\$ 11,302,245
EXPENSE AND EQUIPMENT			
Other Funds	46,750	3,275,000	3,275,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	6,073,029	8,810,855	5,589,605
Other Funds	1,937,640	1,937,640	2,437,640
TOTAL			
General Revenue Fund	6,073,029	8,810,855	5,589,605
Other Funds	1,984,390	5,212,640	5,712,640
Total Full-time Equivalent Employees	0.00	0.00	0.00

The University of Missouri has administrative responsibility for a range of programs that are related to its institutional mission, but are not a part of the education and general operations: University of Missouri-Kansas City Neighborhoods Initiative, University of Missouri-St. Louis International Collaboration, Missouri Telehealth Network, Missouri Kidney Program, State Historical Society, Spinal Cord Injury Research Program, and investments and interest from Seminary Fund and State Seminary Moneys Fund.

UNIVERSITY OF MISSOURI-KANSAS CITY NEIGHBORHOODS INITIATIVE

The University of Missouri-Kansas City Neighborhoods Initiative provides resources and technical assistance to the Kansas City region, local governments, political subdivisions, higher education institutions, and community organizations to meet the critical needs of Kansas City neighborhoods.

Fiscal Year 2018 Governor's Recommendations

- (\$400,000) core reduction from the Fiscal Year 2017 appropriation level.

UNIVERSITY OF MISSOURI-ST. LOUIS INTERNATIONAL COLLABORATION

The program funds initiatives to increase international collaboration and promote economic activity in the St. Louis region. A key focus of the program is the St. Louis-Israel Innovation Connection, which connects the economies of St. Louis and Israel and will serve as a model to attract companies from other targeted geographic areas to the St. Louis region.

Fiscal Year 2018 Governor's Recommendations

- (\$450,000) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF HIGHER EDUCATION
UNIVERSITY OF MISSOURI – RELATED PROGRAMS**

MISSOURI TELEHEALTH NETWORK

The Missouri Telehealth Network enhances access to care to people in underserved areas by providing the tools and training necessary for communities to develop and implement successful telehealth programs. The Missouri Telehealth Network has 208 sites in 69 Missouri counties and the City of St. Louis including Federally Qualified Health Centers (FQHCs), hospitals, rural health clinics, community mental health centers, state facilities, an army hospital, two schools of medicine, a school of nursing, the Missouri Department of Health and Senior Services, and many other types of health care facilities.

Fiscal Year 2018 Governor's Recommendations

- (\$1,621,250) core reduction from the Fiscal Year 2017 appropriation level.

MISSOURI KIDNEY PROGRAM

The Missouri Kidney Program enables Missourians with end-stage renal disease to obtain education and medical support services. The program contracts with federally approved dialysis/transplant centers and facilities to help pay expenses related to patient care not paid by other sources such as Medicare, MO HealthNet, and private insurance. Patients' medications and insurance premiums, as well as patient education, are paid by the program.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

STATE HISTORICAL SOCIETY

The State Historical Society of Missouri is directed by statute to collect, preserve, publish, and make accessible those materials that pertain to the history of Missouri and western America. The staff conducts research projects, publishes the quarterly Missouri Historical Review, and produces other publications.

Fiscal Year 2018 Governor's Recommendations

- (\$750,000) core reduction from the Fiscal Year 2017 appropriation level.

SPINAL CORD INJURY RESEARCH

The program funds research that will advance knowledge concerning spinal cord injuries and congenital or acquired disease processes. Research awards are made by an advisory board to researchers in public or private educational, health care, and research institutions and other voluntary health associations. Funds for this research come from fees assessed to individuals who are convicted of intoxication-related offenses, as well as surcharges from all criminal cases including violations of any county ordinance or any violation of criminal or traffic laws of this state.

Fiscal Year 2018 Governor's Recommendations

- \$500,000 Spinal Cord Injury Fund to accommodate a recent increase in research demand.

SEMINARY FUND INVESTMENTS AND INCOME ON INVESTMENTS

The Seminary Fund consists of the proceeds of the sale of land donated to the state, proceeds from a direct tax received from the United States, the James S. Rollins Scholarship Fund, and others. Income from the State Seminary Moneys Fund is given to the University of Missouri as required by Article IX, Section 6 of the Missouri Constitution, and by Section 172.610, RSMo.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF REVENUE

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Administration Division	\$ 9,011,827	\$ 11,160,261	\$ 11,039,893	\$ 11,039,893
Taxation Division	28,925,111	37,652,850	37,668,910	37,753,470
Motor Vehicle and Driver Licensing Division	974,789	1,281,460	1,281,460	1,381,460
Legal Services Division	2,103,774	2,646,800	2,646,800	2,646,800
Highway Collections	23,074,784	27,764,445	27,663,753	24,657,813
State Tax Commission	2,045,748	2,209,072	2,209,072	2,209,072
Distributions	216,516,565	221,605,455	221,605,455	218,884,837
State Lottery Commission	<u>232,962,739</u>	<u>209,794,241</u>	<u>212,217,646</u>	<u>212,217,646</u>
DEPARTMENTAL TOTAL	\$ 515,615,337	\$ 514,114,584 *	\$ 516,332,989	\$ 510,790,991
General Revenue Fund	78,617,751	91,563,159	91,418,065	88,882,007
Federal Funds	2,532,835	4,111,573	4,111,573	4,111,573
Child Support Enforcement Fund	1,366,226	2,115,905	2,115,905	2,115,905
Health Initiatives Fund	57,659	62,406	62,406	62,406
Department of Revenue Technology Fund	0	3,000,000	3,000,000	0
Petroleum Storage Tank Insurance Fund	25,893	29,462	29,462	29,462
Motor Vehicle Commission Fund	781,473	978,607	978,607	978,607
Conservation Commission Fund	569,330	587,017	587,017	587,017
State Highways and Transportation Department Fund	12,996,228	13,772,208	13,712,302	13,706,362
Lottery Enterprise Fund	232,962,739	69,544,241	212,217,646	59,217,646
Petroleum Inspection Fund	28,684	37,519	37,519	37,519
Motor Fuel Tax Fund	185,676,269	188,000,000	188,000,000	188,000,000
State Lottery Fund	0	140,250,000	0	153,000,000
Department of Revenue Specialty Plate Fund	250	16,885	16,885	16,885
Tobacco Control Special Fund	0	45,602	45,602	45,602
Total Full-time Equivalent Employees	1,286.93	1,329.05	1,329.05	1,335.05
General Revenue Fund	860.33	901.52	901.52	909.52
Federal Funds	3.87	6.74	6.74	4.74
Other Funds	422.73	420.79	420.79	420.79

* Does not include \$5,028,108 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Revenue supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$510.8 million for the Department of Revenue. The department serves as the State of Missouri's primary revenue collection agency. The department performs its duties and services according to statutory and regulatory standards with minimal administrative expense to ensure payment of all taxes and fees owed to the State. The Department of Revenue's core functions include:

- Processing tax returns.
- Collecting tax and issuing refunds.
- Titling and registering motor vehicles, boats, and trailers.
- Licensing drivers and suspending, revoking, and disqualifying driver licenses.
- Licensing motor vehicle dealers.
- Investigating suspected violations of the tax, vehicle, dealer, and driver licensing laws.
- Coordinating Requests for Proposals for license offices and directing the operations of these offices.

**DEPARTMENT OF REVENUE
ADMINISTRATION DIVISION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration Division	\$ 5,088,022	\$ 6,996,137	\$ 6,996,137
Postage	3,923,805	4,164,124	4,043,756
TOTAL	\$ 9,011,827	\$ 11,160,261	\$ 11,039,893
PERSONAL SERVICE			
General Revenue Fund	1,147,002	1,144,666	1,144,666
Federal Funds	36,927	54,234	54,234
Other Funds	22,969	26,064	26,064
EXPENSE AND EQUIPMENT			
General Revenue Fund	4,075,951	4,324,705	4,204,337
Federal Funds	2,335,137	3,470,006	3,470,006
Other Funds	1,393,841	2,140,586	2,140,586
TOTAL			
General Revenue Fund	5,222,953	5,469,371	5,349,003
Federal Funds	2,372,064	3,524,240	3,524,240
Other Funds	1,416,810	2,166,650	2,166,650
Total Full-time Equivalent Employees	33.37	38.66	38.66
General Revenue Fund	31.57	36.04	36.04
Federal Funds	1.12	1.74	1.74
Other Funds	0.68	0.88	0.88

The Administration Division performs the following functions to support the department's revenue collection and motor vehicle and driver license programs: accounting, cash management, procurement, mail processing, archiving, stores, inventory distribution, delivery services, form development, policy administration, payroll processing, recruitment, training and communication, and child support oversight.

Fiscal Year 2018 Governor's Recommendations

- (\$120,368) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF REVENUE
TAXATION DIVISION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Taxation Division	\$ 21,021,800	\$ 24,652,850	\$ 24,753,470
Integrated Tax System	<u>7,903,311</u>	<u>13,000,000</u>	<u>13,000,000</u>
TOTAL	\$ 28,925,111	\$ 37,652,850	\$ 37,753,470
PERSONAL SERVICE			
General Revenue Fund	18,201,111	19,616,808	19,888,608
Other Funds	665,996	693,359	693,359
EXPENSE AND EQUIPMENT			
General Revenue Fund	10,048,989	17,076,354	17,155,174
Other Funds	9,015	16,329	16,329
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	250,000	0
TOTAL			
General Revenue Fund	28,250,100	36,943,162	37,043,782
Other Funds	675,011	709,688	709,688
Total Full-time Equivalent Employees	576.43	562.30	572.30
General Revenue Fund	551.43	537.88	547.88
Other Funds	25.00	24.42	24.42

The Taxation Division administers and enforces tax laws. The division deposits all tax revenue, issues refunds, and collects and distributes local taxes. The division's collection activities include account management, lien filing, delinquent tax collections (including identifying non-compliant businesses and individuals), tax clearances, and debt offsets. The division has six in-state field offices (St. Louis, Kansas City, Springfield, Jefferson City, Joplin, and Cape Girardeau) that audit businesses required to pay taxes to the State of Missouri. The division's auditors are also stationed in five out-of-state offices (Chicago, Dallas, Georgia, Colorado, and New York) to foster Missouri tax law compliance.

Fiscal Year 2018 Governor's Recommendations

- \$350,620 and ten staff to collect additional revenue through garnishments.
- (\$250,000) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF REVENUE
MOTOR VEHICLE AND DRIVER LICENSING DIVISION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Motor Vehicle and Driver Licensing Division			
TOTAL	\$ 974,789	\$ 1,281,460	\$ 1,381,460
PERSONAL SERVICE			
General Revenue Fund	357,440	376,228	376,228
Federal Funds	0	2,749	2,749
Other Funds	194,366	205,682	205,682
EXPENSE AND EQUIPMENT			
General Revenue Fund	228,556	280,232	380,232
Federal Funds	0	160,776	160,776
Other Funds	194,427	255,793	255,793
TOTAL			
General Revenue Fund	585,996	656,460	756,460
Federal Funds	0	163,525	163,525
Other Funds	388,793	461,475	461,475
Total Full-time Equivalent Employees	16.44	32.05	32.05
General Revenue Fund	10.52	22.05	22.05
Other Funds	5.92	10.00	10.00

The Motor Vehicle and Driver Licensing Division administers Missouri laws that license drivers and suspend, revoke, and disqualify driver licenses; and titles/registers motor vehicles, boats, and trailers. Additionally, the division licenses approximately 6,000 dealers and oversees dealer operations to ensure dealer licensing laws compliance. The division also coordinates Requests for Proposals for license offices and directs the operations of these offices.

Fiscal Year 2018 Governor's Recommendations

- \$100,000 to implement voter identification requirements pursuant to HB 1631 (2016).

**DEPARTMENT OF REVENUE
LEGAL SERVICES DIVISION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Legal Services Division			
TOTAL	\$ 2,103,774	\$ 2,646,800	\$ 2,646,800
PERSONAL SERVICE			
General Revenue Fund	1,443,766	1,531,869	1,531,869
Federal Funds	103,387	212,654	212,654
Other Funds	327,537	504,149	504,149
EXPENSE AND EQUIPMENT			
General Revenue Fund	150,336	155,533	155,533
Federal Funds	57,384	211,154	211,154
Other Funds	21,364	31,441	31,441
TOTAL			
General Revenue Fund	1,594,102	1,687,402	1,687,402
Federal Funds	160,771	423,808	423,808
Other Funds	348,901	535,590	535,590
Total Full-time Equivalent Employees	43.95	56.75	54.75
General Revenue Fund	33.11	40.75	40.75
Federal Funds	2.75	5.00	3.00
Other Funds	8.09	11.00	11.00

The Legal Services Division supports the department's revenue tax law administration, driver licensing and motor vehicle title/registration administration, and provides legal counsel and representation to the Director of Revenue and divisions. The division includes the Criminal Tax Investigation and the Compliance and Investigation Bureaus, which investigate suspected law violations, prepare cases for prosecution, and perform audits of internal department functions and the license offices throughout the state.

Fiscal Year 2018 Governor's Recommendations

- (Two) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF REVENUE
HIGHWAY COLLECTIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Highway Collections - Taxation Division	\$ 1,635,373	\$ 1,542,016	\$ 1,542,016
Highway Collections - Motor Vehicle and Driver Licensing Division	13,366,481	17,532,795	14,532,795
Highway Collections - Legal Services Division	2,176,086	2,366,473	2,370,473
Highway Collections - Attorney Fees	0	5,000	1,000
Highway Collections - Postage	2,864,078	3,041,990	2,952,658
Highway Collections - Administration Division	2,324,291	2,538,584	2,538,584
Highway Collections - Postage - Driver License	708,475	737,587	720,287
TOTAL	\$ 23,074,784	\$ 27,764,445	\$ 24,657,813
PERSONAL SERVICE			
General Revenue Fund	6,902,284	7,677,968	7,677,968
Other Funds	6,841,189	7,197,457	7,197,457
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,176,272	3,314,269	3,273,483
Other Funds	6,155,039	6,574,751	6,508,905
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	0	3,000,000	0
TOTAL			
General Revenue Fund	10,078,556	10,992,237	10,951,451
Other Funds	12,996,228	16,772,208	13,706,362
Total Full-time Equivalent Employees	425.07	445.79	445.79
General Revenue Fund	196.22	224.80	224.80
Other Funds	228.85	220.99	220.99

The Missouri Constitution, Article IV, Sections 30(a), 30(b), and 30(c) requires all state revenues from the existing motor vehicle fuel tax, vehicle taxes, and fees paid by highway users (less collection costs of up to three percent of the amount collected and State Highway Patrol enforcement costs) be used for state and local highways, roads, and bridges, and for constructing and maintaining the state highway system. The Department of Revenue collects and remits these revenues to the State Highways and Transportation Department Fund. Highway Collections functions are distributed between the department's Taxation, Motor Vehicle and Driver Licensing, Administration, and Legal Services Divisions.

Fiscal Year 2018 Governor's Recommendations

- (\$3,106,632) core reduction from the Fiscal Year 2017 appropriation level, including (\$40,786) general revenue.

**DEPARTMENT OF REVENUE
STATE TAX COMMISSION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
State Tax Commission TOTAL	\$ 2,045,748	\$ 2,209,072	\$ 2,209,072
PERSONAL SERVICE	1,873,495	2,038,297	2,038,297
EXPENSE AND EQUIPMENT	172,253	170,775	170,775
TOTAL			
General Revenue Fund	2,045,748	2,209,072	2,209,072
Total Full-time Equivalent Employees	37.48	40.00	38.00
General Revenue Fund	37.48	40.00	38.00

A constitutionally created quasi-judicial administrative agency, the State Tax Commission performs six basic functions: equalize inter- and intra-county assessments; conduct de novo judicial hearings regarding valuation and classification appeals from local boards of equalization; formulate and implement statewide assessment policies and procedures to comport with statutory and constitutional mandates; supervise local assessing officials and local assessment programs to ensure compliance with statewide requirements; conduct ratio studies to determine the assessment level in each county and to measure the quality of the assessments; and assess the distributable property of railroads and other public utilities.

Fiscal Year 2018 Governor's Recommendations

- (Two) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF REVENUE
DISTRIBUTIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Prosecuting Attorneys and Collection Agencies Fees	\$ 2,926,105	\$ 3,300,000	\$ 3,300,000
County Filing Fees	274,925	465,000	465,000
State Share of Assessment Maintenance Costs	10,376,873	11,531,622	9,956,004
Appropriated Tax Credits	362,638	600,000	0
Motor Fuel Tax Distribution to Cities and Counties	185,676,269	188,000,000	188,000,000
Emblem Use Fee Distribution	905	1,000	1,000
County Stock Insurance Tax	114,442	660,700	115,700
Debt Offset For Tax Credits Transfer	68,893	260,000	260,000
Debt Offset Transfer	12,620,681	13,797,384	13,797,384
Circuit Courts Escrow Transfer	2,462,589	2,518,749	2,518,749
Income Tax Check-Off Refund Designations	468,570	471,000	471,000
General Revenue Reimbursement to State			
Highways and Transportation Department Fund	1,163,675	0	0
TOTAL	\$ 216,516,565	\$ 221,605,455	\$ 218,884,837
EXPENSE AND EQUIPMENT			
General Revenue Fund	981,390	750,000	750,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	29,858,906	32,855,455	30,134,837
Other Funds	185,676,269	188,000,000	188,000,000
TOTAL			
General Revenue Fund	30,840,296	33,605,455	30,884,837
Other Funds	185,676,269	188,000,000	188,000,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

PROSECUTING ATTORNEYS AND COLLECTION AGENCIES FEES

Section 136.150, RSMo, provides a 20 percent collection fee to circuit or prosecuting attorneys for delinquent taxes, licenses, or fees recovered on behalf of the state. The department deposits the collection fee in the county treasury with one-half of the fee for use by the attorney's office and one-half to be expended as the county determines.

Section 140.850, RSMo, authorizes the Department of Revenue to use private attorneys or professional collection agencies to collect delinquent taxes owed by resident and non-resident taxpayers (individuals and businesses). The statute restricts the fee to not more than 25 percent of the amount collected.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

COUNTY FILING FEES

The Department of Revenue is authorized to file certificates of lien with the circuit courts for income, withholding, sales, and use tax delinquencies under Sections 144.380 and 143.902, RSMo. Under Section 144.380(4), RSMo, county recorders may charge the department a fee of \$3.00 per tax lien for filing and \$1.50 per release of a filed tax lien. The department collects these fees from the delinquent taxpayers.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF REVENUE DISTRIBUTIONS

STATE SHARE OF ASSESSMENT MAINTENANCE COSTS

The state reimburses a portion of local assessor maintenance assessment costs and expenses.

Fiscal Year 2018 Governor's Recommendations

- (\$1,575,618) core reduction from the Fiscal Year 2017 appropriation level.

APPROPRIATED TAX CREDITS

The Department collects taxes on freight line companies as authorized by Section 137.1021, RSMo. Subject to appropriation, a freight line company is allowed a credit for eligible expenses against the tax. The state reimburses any political subdivision of this state for any decrease in revenue due to the credit.

Fiscal Year 2018 Governor's Recommendations

- (\$600,000) core reduction from the Fiscal Year 2017 appropriation level.

MOTOR FUEL TAX DISTRIBUTION TO CITIES AND COUNTIES

Missouri Constitution Article IV, Section 30(a)(2) requires a 15 percent allocation of the Motor Fuel Tax collections net proceeds to the incorporated cities, towns, and villages of the state to assist in the maintenance of streets and highways.

Missouri Constitution Article IV, Section 30(a)(1) requires a 10 percent allocation of the Motor Fuel Tax collections net proceeds to the counties to assist in the maintenance of county roads, highways, and bridges. In addition, Missouri Constitution Article IV, Section 30(a)(2) requires distributing 15 percent of the net proceeds resulting from any increase in the Motor Fuel Tax rate over the rate in effect on March 31, 1992, to the counties to assist in the maintenance of county roads, highways, and bridges.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

EMBLEM USE FEE DISTRIBUTION

Individuals requesting a specialty license plate contribute an emblem use fee to the organization sponsoring the specialty plate. If statute allows the individual to remit the emblem use authorization fee to the Department of Revenue, the department must remit these fees to the applicable organization.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

COUNTY STOCK INSURANCE TAX

The Department of Revenue uses this appropriation to meet the apportionment requirements for the County Stock Insurance Tax required by Section 148.330, RSMo, while holding school districts and counties harmless to reductions from premium tax credits provided to insurance companies.

Fiscal Year 2018 Governor's Recommendations

- (\$545,000) core reduction from the Fiscal Year 2017 appropriation level.

DEPARTMENT OF REVENUE DISTRIBUTIONS

DEBT OFFSET FOR TAX CREDITS TRANSFER

Section 135.815, RSMo, requires that tax credit applicants first use any award to pay off any delinquent income, sales, use, or insurance taxes. After applying all credits toward any delinquencies, the applicant can be issued any remaining credits. The Department of Revenue uses this appropriation to satisfy delinquencies.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEBT OFFSET TRANSFER

Chapter 143, RSMo, provides a mechanism to offset debts owed to the state against tax refunds payable to the debtor. The Department of Revenue transfers to the Office of State Treasurer the amount of the debt certified to be owed to a state agency in an amount not exceeding the tax refund claimed. Any amount in excess of the debt is forwarded to the taxpayer. Upon settlement of the claim through the established administrative hearings process, the escrow funds are returned to the state agency or the payee.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

CIRCUIT COURTS ESCROW TRANSFER

Section 143.784, RSMo, provides a mechanism to offset debts owed to the state against tax refunds payable to the debtor. The Department of Revenue transfers to the Office of State Courts Administrator (OSCA) any amounts certified to be owed to the courts, in an amount not exceeding the tax refund claimed. Upon settlement of the claim, the escrow funds are returned to OSCA.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

INCOME TAX CHECK-OFF REFUND DESIGNATIONS

State statutes permit individuals and corporations to contribute a portion of their income tax refund to numerous separate state trust funds and separate charitable trust funds. The taxpayer designates a distribution amount to the various trust funds to transfer from the General Revenue Fund.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF REVENUE
STATE LOTTERY COMMISSION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Lottery Commission - Operating	\$ 58,887,521	\$ 56,794,241	\$ 59,217,646
Lottery Commission - Prizes	<u>174,075,218</u>	<u>153,000,000</u>	<u>153,000,000</u>
TOTAL	\$ 232,962,739	\$ 209,794,241	\$ 212,217,646
PERSONAL SERVICE	6,782,746	7,075,249	7,075,249
EXPENSE AND EQUIPMENT	226,176,510	202,712,792	205,136,197
PROGRAM SPECIFIC DISTRIBUTION	3,483	6,200	6,200
TOTAL			
Other Funds	232,962,739	209,794,241	212,217,646
Total Full-time Equivalent Employees	154.19	153.50	153.50
Other Funds	154.19	153.50	153.50

Approved by the voters of Missouri, the Missouri Constitution, Article III, Section 39(b), established the Missouri State Lottery. The Missouri State Lottery transfers all profits to help fund public institutions of elementary, secondary, and higher education. Lottery functions include: recruiting and licensing Lottery retailers; creating, marketing, and distributing Lottery products; collecting revenue from Lottery retailers; paying out Lottery prizes and retailer commissions; ensuring the security and integrity of the Lottery operations and games.

Fiscal Year 2018 Governor's Recommendations

- \$2,423,405 Lottery Enterprise Fund on an open-ended basis for the vendor costs associated with increased ticket sales.

LOTTERY TRANSFER TO EDUCATION

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Other Funds	\$ 308,993,403	\$ 311,000,000	\$ 311,000,000

Section 39(b) of Article III of the Missouri Constitution provides for the transfer of net proceeds to help fund public institutions of elementary, secondary, and higher education.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF TRANSPORTATION

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Highway Administration	\$ 23,423,491	\$ 26,156,918	\$ 26,493,263	\$ 26,156,918
Fringe Benefits	184,313,343	214,869,128	219,713,448	216,899,128
Fleet, Facilities, and Information Systems	70,559,181	75,320,326	84,726,626	75,320,326
System Management	333,648,516	389,753,449	392,300,949	389,753,449
Highway Construction	1,177,911,282	1,349,122,729	1,395,307,839	1,391,122,729
Multimodal Operations and Programs	97,759,088	136,544,024	161,662,456	154,623,091
DEPARTMENTAL TOTAL	\$ 1,887,614,901	\$ 2,191,766,574 *	\$ 2,280,204,581	\$ 2,253,875,641
General Revenue Fund	17,940,192	37,644,129	21,794,129	11,794,129
Federal Funds	84,634,602	119,922,462	144,626,097	144,605,962
Motorcycle Safety Trust Fund	288,894	425,000	425,000	425,000
Grade Crossing Safety Account Fund	2,776,700	4,000,000	3,000,000	3,000,000
State Road Bond Fund	175,265,549	171,121,880	171,121,880	171,121,880
State Road Fund	1,595,214,201	1,840,493,475	1,920,786,020	1,904,513,475
Railroad Expense Fund	762,559	1,100,929	1,257,029	1,245,929
State Transportation Fund	3,415,887	5,078,784	5,125,699	5,113,784
State Transportation Assistance Revolving Fund	995	1,000,000	1,000,000	1,000,000
Aviation Trust Fund	7,315,322	10,979,915	11,068,727	11,055,482
Total Full-time Equivalent Employees	5,258.52	5,655.87	5,655.87	5,555.87
Federal Funds	11.19	15.41	15.29	15.29
Other Funds	5,247.33	5,640.46	5,640.58	5,540.58

* Does not include \$19,400,000 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Transportation supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$2.3 billion for the Department of Transportation (MoDOT).

The department oversees all aspects of Missouri's transportation system. The Department of Transportation core functions include:

- Constructing and maintaining the state road and bridge system.
- Encouraging safety on Missouri highways for citizens and Department of Transportation employees.
- Providing capital improvement and operating assistance grants for rural and urban transit systems, public airports, ferryboats, and passenger rail service.
- Registering commercial motor vehicles.

**DEPARTMENT OF TRANSPORTATION
HIGHWAY ADMINISTRATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration			
TOTAL	\$ 23,423,491	\$ 26,156,918	\$ 26,156,918
PERSONAL SERVICE			
Other Funds	17,601,543	18,729,356	18,729,356
EXPENSE AND EQUIPMENT			
Federal Funds	5,000	5,000	5,000
Other Funds	5,816,948	7,422,562	7,422,562
TOTAL			
Federal Funds	5,000	5,000	5,000
Other Funds	23,418,491	26,151,918	26,151,918
Total Full-time Equivalent Employees	331.20	350.57	350.57
Other Funds	331.20	350.57	350.57

Highway Administration supports the Missouri Highways and Transportation Commission operations and the department's centralized functions: auditing, accounting, risk management, financial planning, government relations, communications, and human resource management.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF TRANSPORTATION
FRINGE BENEFITS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Highway Administration	\$ 26,895,818	\$ 29,861,738	\$ 31,861,738
Highway Construction	43,092,881	51,581,254	51,581,254
Maintenance	105,551,834	121,311,773	121,331,773
Fleet, Facilities, and Information Systems	7,623,542	10,706,189	10,706,189
Multimodal Operations and Programs	1,149,268	1,408,174	1,418,174
TOTAL	\$ 184,313,343	\$ 214,869,128	\$ 216,899,128
PERSONAL SERVICE			
Federal Funds	391,396	468,358	468,358
Other Funds	161,806,596	191,198,149	191,050,256
EXPENSE AND EQUIPMENT			
Other Funds	22,115,351	23,202,621	25,380,514
TOTAL			
Federal Funds	391,396	468,358	468,358
Other Funds	183,921,947	214,400,770	216,430,770
Total Full-time Equivalent Employees	0.00	0.00	0.00

MoDOT compensates its employees in part through various fringe benefits including retirement and long-term disability contributions, medical and life insurance, retirees' medical insurance, dental insurance, workers' compensation, and the employee assistance program.

Fiscal Year 2018 Governor's Recommendations

- \$2,030,000 other funds for fringe benefit cost increases.

**DEPARTMENT OF TRANSPORTATION
FLEET, FACILITIES, AND INFORMATION SYSTEMS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Fleet, Facilities, and Information Systems TOTAL	\$ 70,559,181	\$ 75,320,326	\$ 75,320,326
PERSONAL SERVICE	10,471,853	14,320,326	14,320,326
EXPENSE AND EQUIPMENT	60,068,232	59,947,894	59,947,894
PROGRAM SPECIFIC DISTRIBUTION	19,096	1,052,106	1,052,106
TOTAL			
Other Funds	70,559,181	75,320,326	75,320,326
Total Full-time Equivalent Employees	216.59	299.25	299.25
Other Funds	216.59	299.25	299.25

This program area supports the General Services and Information Systems divisions. The General Services Division provides fleet and facilities management, procurement, and other services to the department. The Information Systems Division delivers information technology solutions, services, and support.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF TRANSPORTATION
SYSTEM MANAGEMENT**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Maintenance	\$ 315,472,131	\$ 367,753,724	\$ 367,753,724
Highway Safety Grants	16,451,604	20,000,000	20,000,000
Motor Carrier Safety Assistance	1,724,781	1,999,725	1,999,725
TOTAL	\$ 333,648,516	\$ 389,753,449	\$ 389,753,449
PERSONAL SERVICE			
Federal Funds	255,231	319,202	319,202
Other Funds	130,514,638	143,048,845	143,048,845
EXPENSE AND EQUIPMENT			
Federal Funds	2,808,499	1,082,195	1,089,195
Other Funds	182,907,337	222,738,895	222,738,895
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	15,422,279	20,971,923	20,964,923
Other Funds	1,740,532	1,592,389	1,592,389
TOTAL			
Federal Funds	18,486,009	22,373,320	22,373,320
Other Funds	315,162,507	367,380,129	367,380,129
Total Full-time Equivalent Employees	3,511.51	3,643.93	3,543.93
Federal Funds	5.69	8.30	8.30
Other Funds	3,505.82	3,635.63	3,535.63

Systems management supports highway safety initiatives, motor carrier services, and is responsible for the state road system, welcome centers, rest areas, and weigh stations. Functions include road and shoulder repair, bridge repair, snow and ice removal, traffic signal and sign maintenance, pavement marking, and right-of-way mowing.

Fiscal Year 2018 Governor's Recommendations

- (100) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF TRANSPORTATION
HIGHWAY CONSTRUCTION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Construction TOTAL	\$ 1,177,911,282	\$ 1,349,122,729	\$ 1,391,122,729
PERSONAL SERVICE			
Other Funds	59,896,291	67,292,198	67,292,198
EXPENSE AND EQUIPMENT			
Other Funds	688,462,100	831,136,014	863,136,014
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	20,000,000	0
Other Funds	429,552,891	430,694,517	460,694,517
TOTAL			
General Revenue Fund	0	20,000,000	0
Other Funds	1,177,911,282	1,329,122,729	1,391,122,729
Total Full-time Equivalent Employees	1,168.13	1,326.44	1,326.44
Other Funds	1,168.13	1,326.44	1,326.44

This program area supports the state road construction program and activities such as land acquisition, contractor payments for road and bridge construction, outstanding bonds debt service, and transportation enhancement activities.

Fiscal Year 2018 Governor's Recommendations

- \$62,000,000 State Road Fund for construction projects.
- (\$20,000,000) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF TRANSPORTATION
MULTIMODAL OPERATIONS AND PROGRAMS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Multimodal Operations	\$ 3,076,392	\$ 5,967,964	\$ 5,797,031
Transit Programs			
Federal Transit Programs	31,109,031	59,900,000	59,500,000
State Aid for Transportation of Elderly, Disabled, and Low-Income Citizens	2,432,783	2,468,607	2,468,607
State Safety Oversight Program	280,674	632,453	632,453
Railroad Programs			
State Passenger Rail Assistance and Station Improvements	15,726,540	14,625,000	9,125,000
Railroad Grade Crossing Safety	2,776,700	4,350,000	3,000,000
Aviation Programs			
State Aid for Airports/Federal Aviation Assistance	27,969,134	30,000,000	35,000,000
Airport Capital Improvements	7,317,834	11,000,000	10,000,000
State Aid to Port Authorities	6,220,000	5,600,000	2,100,000
Federal Rail, Port, and Freight Assistance Program	0	1,000,000	26,000,000
Freight Enhancement	850,000	1,000,000	1,000,000
TOTAL	\$ 97,759,088	\$ 136,544,024	\$ 154,623,091
PERSONAL SERVICE			
Federal Funds	276,671	316,722	316,722
Other Funds	1,385,351	1,605,801	1,605,801
EXPENSE AND EQUIPMENT			
Federal Funds	656,555	1,543,600	1,836,600
Other Funds	304,170	576,899	576,899
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	17,940,192	17,644,129	11,794,129
Federal Funds	64,818,971	95,215,462	119,605,962
Other Funds	12,377,178	19,641,411	18,886,978
TOTAL			
General Revenue Fund	17,940,192	17,644,129	11,794,129
Federal Funds	65,752,197	97,075,784	121,759,284
Other Funds	14,066,699	21,824,111	21,069,678
Total Full-time Equivalent Employees	31.09	35.68	35.68
Federal Funds	5.50	7.11	6.99
Other Funds	25.59	28.57	28.69

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS AND PROGRAMS

MULTIMODAL OPERATIONS

This section supports non-highway programs, including aviation, transit, rail, waterways, and freight development. The transit section provides financial and technical assistance to public transit and specialized transit providers statewide through the administration of state and federal general public transportation programs, as well as specific transit programs for agencies serving senior citizens and/or persons with disabilities.

The rail section regulates and improves freight rail services, passenger rail service, rail safety outreach, light rail safety oversight, rail/highway construction, and railroad/highway grade crossing safety. The rail division also prepares and implements a state rail plan and administers state and federal funds to increase safety at railroad crossings.

The aviation section oversees state and federal funding programs for airport maintenance and capital improvement projects. This section is also responsible for airport safety inspections, maintaining the state airport systems plan, and working with local governments to secure federal aviation funding.

The waterways section assists cities and counties in forming port authorities that foster local economic growth. This section also provides technical assistance and administers port capital improvement programs. The freight development section works to increase efficiencies and reduce bottlenecks in freight movement, improve connections between transportation modes, and expand freight logistics opportunities.

Fiscal Year 2018 Governor's Recommendations

- \$329,067 federal and other funds for multimodal projects.
- (\$500,000) core reduction from the Fiscal Year 2017 appropriation level.

FEDERAL TRANSIT PROGRAMS

Federal funds support metropolitan transportation planning activities in seven areas: St. Louis, Kansas City, Springfield, Columbia, St. Joseph, Joplin, and Jefferson City. This program provides demographic forecasting, corridor studies, transit service analysis, route and schedule evaluation, financial capacity analysis, special needs investigations, and traffic and transit management studies.

Federal funds also provide rural and urban transit financial assistance to local transportation providers to purchase buses, related facilities and equipment, and other capital expenses.

Fiscal Year 2018 Governor's Recommendations

- (\$400,000) federal funds core reduction from the Fiscal Year 2017 appropriation level.

STATE AID FOR TRANSPORTATION OF ELDERLY, DISABLED, AND LOW-INCOME CITIZENS

The Missouri Elderly and Handicapped Transportation Assistance Program provides operating assistance for non-profit transportation providers serving the elderly and disabled individuals. State funds match local, private, and federal provider funds.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

STATE SAFETY OVERSIGHT

This program provides funding to oversee safety issues and investigate light rail systems accidents. There are two operational systems – Metrolink in St. Louis and the Kansas City Streetcar. The Delmar Loop Trolley, which will serve areas in St. Louis and University City, will be completed in the spring of 2017.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS AND PROGRAMS

STATE PASSENGER RAIL ASSISTANCE AND STATION IMPROVEMENTS

Through the State Passenger Rail Assistance Program, Missourians enjoy rail service between Kansas City and St. Louis, with stops in-between. The state pays the direct costs of the twice-daily train route and provides small amounts of funding for station improvements.

Fiscal Year 2018 Governor's Recommendations

- (\$5,500,000) core reduction from the Fiscal Year 2017 appropriation level, including (\$500,000) general revenue.

RAILROAD GRADE CROSSING SAFETY

This program provides state and federal funding to complete safety railroad grade crossings projects. A motor-vehicle licensing fee provides state funds.

Fiscal Year 2018 Governor's Recommendations

- (\$1,350,000) core reduction from the Fiscal Year 2017 appropriation level, including (\$350,000) general revenue.

STATE AID FOR AIRPORTS/FEDERAL AVIATION ASSISTANCE/AIRPORT CAPITAL IMPROVEMENTS

To meet acceptable safety performance standards, this program uses state and federal funds for airport capital improvements, maintenance, and for safety-related items emergency repairs. The Aviation Trust Fund, funded by the aviation fuel tax, provides the state portion of these projects.

Fiscal Year 2018 Governor's Recommendations

- \$5,000,000 Multimodal Operations Federal Fund for Federal Aviation Administration block grant projects.
- (\$1,000,000) core reduction from the Fiscal Year 2017 appropriation level.

STATE AID TO PORT AUTHORITIES

This program provides funding to local port authorities for administration, planning, and development activities. The active port authorities in Missouri are: Howard/Cooper County Regional Port Authority; Jefferson County Port Authority; Pemiscot County Port Authority; Southeast Missouri Regional Port Authority; Mississippi County Port Authority; New Madrid County Port Authority; New Bourbon Regional Port Authority; St. Joseph Regional Port Authority; Pike/Lincoln County Port Authority, Lewis County Regional Port Authority; Marion County Port Authority; Mid-America Port Commission; Port of Kansas City, City of St. Louis Port Authority, and St. Louis County Port Authority.

Fiscal Year 2018 Governor's Recommendations

- (\$3,500,000) core reduction from the Fiscal Year 2017 appropriation level.

FEDERAL RAIL, PORT, AND FREIGHT ASSISTANCE PROGRAM

This program captures potential federal grant awards for rail, port, and freight projects.

Fiscal Year 2018 Governor's Recommendations

- \$25,000,000 Multimodal Operations Federal Fund for Positive Train Control implementation.

FREIGHT ENHANCEMENT FUNDS

The Freight Enhancement program invests in high priority freight projects that move goods between non-highway transportation modes throughout the State of Missouri. The projects improve connections between water, air, and rail transportation modes.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

OFFICE OF ADMINISTRATION

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Commissioner's Office	\$ 964,036	\$ 1,106,103	\$ 1,026,103	\$ 1,026,103
Division of Accounting	2,087,346	2,268,674	2,268,674	2,268,674
Division of Budget and Planning	1,616,351	1,716,103	1,716,103	1,731,923
Information Technology Services Division	129,458,233	168,717,151	168,720,697	169,420,481
Division of Personnel	2,996,022	2,897,514	2,897,514	2,897,514
Division of Purchasing	4,136,697	1,881,568	1,881,568	1,881,568
Division of Facilities Management, Design and Construction	0	25,000	25,000	25,000
Division of General Services	12,905,634	10,989,987	10,989,987	10,989,987
Assigned Programs	6,837,757	12,747,488	12,732,488	6,378,353
Debt and Related Obligations	90,360,179	104,874,194	114,385,957	113,785,957
Administrative Disbursements	48,790,609	15,134,285	14,901,002	14,701,002
DEPARTMENTAL TOTAL	\$ 300,152,864	\$ 322,358,067 *	\$ 331,545,093	\$ 325,106,562
General Revenue Fund	209,224,316	186,605,191	195,872,092	194,083,777
Federal Funds	57,743,656	85,449,056	85,449,056	81,099,056
Other Funds	33,184,892	50,303,820	50,223,945	49,923,729

Total Full-time Equivalent Employees	1,787.86	1,891.47	1,891.47	1,888.47
General Revenue Fund	678.13	654.35	654.35	656.35
Federal Funds	258.07	321.29	321.29	321.29
Other Funds	851.66	915.83	915.83	910.83

* Does not include \$12,244 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Office of Administration supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$325.1 million for the Office of Administration. The Office of Administration is the state's service and administrative control agency. Created by the General Assembly on January 15, 1973, it combines and coordinates state government's central management functions. Its responsibilities were clarified and amended by the Omnibus State Reorganization Act of 1974. The core functions provided by the Office of Administration include:

- Administering state budget and accounting activities.
- Administering the human resources system.
- Coordinating information technology and telecommunications for state agencies.
- Providing and maintaining asset management including office and other space for governmental operations.
- Procuring supplies, equipment, and services for state agencies.
- Managing the state transportation fleet, printing, and mail services.

**OFFICE OF ADMINISTRATION
COMMISSIONER'S OFFICE**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Commissioner's Office	\$ 687,683	\$ 721,637	\$ 721,637
Office of Equal Opportunity	276,353	384,466	304,466
TOTAL	\$ 964,036	\$ 1,106,103	\$ 1,026,103
PERSONAL SERVICE			
General Revenue Fund	803,840	875,513	875,513
EXPENSE AND EQUIPMENT			
General Revenue Fund	157,946	150,590	150,590
Other Funds	2,250	80,000	0
TOTAL			
General Revenue Fund	961,786	1,026,103	1,026,103
Other Funds	2,250	80,000	0
Total Full-time Equivalent Employees	13.48	14.50	14.50
General Revenue Fund	13.48	14.50	14.50

The chief administrative officer is the Commissioner of Administration, who is appointed by the Governor with the advice and consent of the Senate. The Commissioner appoints the Deputy Commissioner / Chief Counsel, Assistant Commissioner and the directors of the divisions who report directly to him. The divisions are Accounting; Budget and Planning; Facilities Management, Design and Construction; General Services; Information Technology Services; and Purchasing. The Director of the Division of Personnel is appointed by the Governor and reports to the Commissioner of Administration.

The Office of Equal Opportunity, created by Executive Order 10-24, assists and monitors state agencies in promoting and ensuring equal opportunity within state government through employment, provision of services, and operation of facilities.

Fiscal Year 2018 Governor's Recommendations

- (\$80,000) Office of Administration-Donated Fund core reduction from the Fiscal Year 2017 appropriation level.

**OFFICE OF ADMINISTRATION
DIVISION OF ACCOUNTING**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Accounting TOTAL	\$ 2,087,346	\$ 2,268,674	\$ 2,268,674
PERSONAL SERVICE	1,970,531	2,151,779	2,151,779
EXPENSE AND EQUIPMENT	116,815	116,895	116,895
TOTAL			
General Revenue Fund	2,087,346	2,268,674	2,268,674
Total Full-time Equivalent Employees	46.84	49.00	49.00
General Revenue Fund	46.84	49.00	49.00

The Division of Accounting (DoA) provides central accounting and central payroll system services for state government, producing checks and electronic payments for state vendors and state employees. The DoA publishes annual statewide financial reports, administers bond sales for the Board of Fund Commissioners, Board of Public Buildings, and Board of Unemployment Fund Financing, and administers the social security coverage for all employees of the state and its political subdivisions.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
DIVISION OF BUDGET AND PLANNING**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Budget and Planning TOTAL	\$ 1,616,351	\$ 1,716,103	\$ 1,731,923
PERSONAL SERVICE	1,544,485	1,644,182	1,656,982
EXPENSE AND EQUIPMENT	71,866	71,921	74,941
TOTAL			
General Revenue Fund	1,616,351	1,716,103	1,731,923
Total Full-time Equivalent Employees	26.25	26.00	26.00
General Revenue Fund	26.25	26.00	26.00

The Division of Budget and Planning (DBP) analyzes state government programs and provides recommendations and information to the Commissioner of Administration, Governor, General Assembly, and state agencies regarding fiscal and other policies. The DBP prepares the budget instructions, reviews agency budget requests, prepares the annual executive budget, analyzes economic and demographic conditions, forecasts state revenues, and conducts technical policy and program analyses. To assist in state government management, the DBP controls appropriation allotments, manages the automated state budget system, prepares legislative fiscal notes, reviews legislation, tracks agency performance measures, analyzes and develops policy options, and reviews federal issues and their impact on Missouri. The DBP prepares population estimates and projections, required by state and local agencies, and serves as Missouri's liaison to the United States Bureau of the Census.

Fiscal Year 2018 Governor's Recommendations

- \$15,820 to begin work on the 2020 census.

**OFFICE OF ADMINISTRATION
INFORMATION TECHNOLOGY SERVICES DIVISION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
ITSD Consolidation	\$ 129,458,233	\$ 166,717,151	\$ 167,420,481
eProcurement	0	2,000,000	2,000,000
TOTAL	\$ 129,458,233	\$ 168,717,151	\$ 169,420,481
PERSONAL SERVICE			
General Revenue Fund	22,295,082	23,102,463	23,102,463
Federal Funds	10,370,308	15,177,965	15,177,965
Other Funds	5,773,169	8,232,534	8,102,319
EXPENSE AND EQUIPMENT			
General Revenue Fund	30,895,754	35,260,679	36,264,225
Federal Funds	39,564,579	55,907,977	55,907,977
Other Funds	19,435,902	30,946,283	30,776,282
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	431,289	500	500
Federal Funds	612,150	50,100	50,100
Other Funds	80,000	38,650	38,650
TOTAL			
General Revenue Fund	53,622,125	58,363,642	59,367,188
Federal Funds	50,547,037	71,136,042	71,136,042
Other Funds	25,289,071	39,217,467	38,917,251
Total Full-time Equivalent Employees	932.85	985.00	980.00
General Revenue Fund	436.84	399.39	399.39
Federal Funds	255.97	318.99	318.99
Other Funds	240.04	266.62	261.62

ITSD's mission is to provide the IT services and systems that allow state agencies to fulfill their missions while maximizing the total value of the State's IT infrastructure, workforce and contracts for the benefit of all. ITSD provides network, data center, telecommunication services, helpdesk, application development and other services for most of Missouri State Government. Led by the Chief Information Officer (CIO), the division sets a foundation for a unified IT office that delivers superior quality at reduced cost.

Fiscal Year 2018 Governor's Recommendations

- \$2,000,000 to support information technology security.
- \$3,546 transferred from the Department of Corrections.
- (\$300,216) Unemployment Automation Fund and (five) staff transferred to the Department of Labor and Industrial Relations.
- (\$1,000,000) core reduction from the Fiscal Year 2017 appropriation level.

**OFFICE OF ADMINISTRATION
DIVISION OF PERSONNEL**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Personnel TOTAL	\$ 2,996,022	\$ 2,897,514	\$ 2,897,514
PERSONAL SERVICE	2,604,376	2,805,868	2,805,868
EXPENSE AND EQUIPMENT	391,646	91,646	91,646
TOTAL			
General Revenue Fund	2,996,022	2,897,514	2,897,514
Total Full-time Equivalent Employees	64.92	72.97	72.97
General Revenue Fund	61.11	65.97	65.97
Other Funds	3.81	7.00	7.00

The Division of Personnel (DOP) is responsible for administering the State's Merit System, overseeing the Uniform Classification and Pay System (UPC), maintaining employee service reports, developing and administering a management development training program, and overseeing a variety of employee recognition programs, including a statewide employee suggestion system as established in the State Personnel Law (Chapter 36, RSMo). Division staff provides consultation on a variety of human resources topics. The Missouri Merit System is based on the principles of merit and fitness for employment. UCP system is designed to promote equity in position classification among state employees in most executive branch agencies and to provide coordinated compensation policies.

The Personnel Advisory Board (PAB) has oversight responsibility for the Missouri Merit System and the Uniform Classification and Pay system and has rule-making authority in various areas of human resources administration. Responsibilities also include making recommendations to the Governor and the general assembly regarding the state's pay plan. The PAB consists of seven members, six of whom are appointed by the Governor with the advice and consent of the Senate. Four members are appointed from the public at large, one is a member of executive management in state government, and one is a non-management state employee. The seventh member is the person designated as the state equal opportunity officer, now known as the Director of the Office of Equal Opportunity.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
DIVISION OF PURCHASING**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Purchasing	\$ 1,739,398	\$ 1,881,568	\$ 1,881,568
Surplus Property	832,590	0	0
Fixed Price Vehicle Program	1,212,479	0	0
Surplus Property Recycling	97,773	0	0
Surplus Property Sale Proceed	254,457	0	0
TOTAL	\$ 4,136,697	\$ 1,881,568	\$ 1,881,568
PERSONAL SERVICE			
General Revenue Fund	1,662,252	1,804,365	1,804,365
Other Funds	594,925	0	0
EXPENSE AND EQUIPMENT			
General Revenue Fund	77,146	77,203	77,203
Other Funds	1,587,529	0	0
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	214,845	0	0
TOTAL			
General Revenue Fund	1,739,398	1,881,568	1,881,568
Other Funds	2,397,299	0	0
Total Full-time Equivalent Employees	52.73	35.00	35.00
General Revenue Fund	34.50	35.00	35.00
Other Funds	18.23	0.00	0.00

The Division of Purchasing (Purchasing) is responsible for the procurement of all state-required supplies, materials, equipment, and professional or general services, except for those agencies exempted by law. Purchasing executes procurement functions in accordance with applicable statutes by maximizing competition in the procurement process, conducting evaluations and negotiations as appropriate, and awarding contracts to the "lowest and best" bidders. Additionally, Purchasing is responsible for cooperative contracts, emergency procurement authorizations, single feasible source contracts, special delegations of authority, as well as other procurement authorizations as permitted by law.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
DIVISION OF FACILITIES MANAGEMENT, DESIGN AND CONSTRUCTION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
State Capitol Commission Fund			
TOTAL	\$ 0	\$ 25,000	\$ 25,000
EXPENSE AND EQUIPMENT	0	25,000	25,000
TOTAL			
State Capitol Commission Fund	0	25,000	25,000
Total Full-time Equivalent Employees	497.30	515.50	515.50
Other Funds	497.30	515.50	515.50

The Division of Facilities Management, Design and Construction's (FMDC) mission is to provide a superior workplace environment for state occupants and their visitors and protect the State's investments in property assets. The goal of FMDC is to provide agencies with the information and resources that will support their development of high-performance workplaces - workplaces that will meet agencies' business needs and can be readily adapted to changing work place practices and strategies. The Executive Budget's Real Estate section contains the division's operating funds. Additionally, FMDC draws upon funds in the Capital Improvements appropriation bills.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
DIVISION OF GENERAL SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
General Services	\$ 918,806	\$ 964,963	\$ 964,963
State Property Preservation Transfer	0	1	1
State Legal Expense Fund	11,986,828	6,740,000	6,740,000
Surplus Property	0	1,389,979	1,389,979
Fixed Price Vehicle Program	0	1,495,994	1,495,994
Surplus Property Recycling	0	99,156	99,156
Surplus Property Sale Proceed	0	299,894	299,894
TOTAL	\$ 12,905,634	\$ 10,989,987	\$ 10,989,987
PERSONAL SERVICE			
General Revenue Fund	843,453	889,610	889,610
Other Funds	0	843,115	843,115
EXPENSE AND EQUIPMENT			
General Revenue Fund	75,353	75,353	75,353
Other Funds	0	2,181,808	2,181,808
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	11,386,339	6,000,001	6,000,001
Other Funds	600,489	1,000,100	1,000,100
TOTAL			
General Revenue Fund	12,305,145	6,964,964	6,964,964
Other Funds	600,489	4,025,023	4,025,023
Total Full-time Equivalent Employees	92.99	127.00	127.00
General Revenue Fund	19.29	20.00	20.00
Other Funds	73.70	107.00	107.00

The Division of General Services provides essential support services to state departments and to the Office of Administration. State Printing provides comprehensive reproduction services including design, printing, finishing, and quick copy services. Central Mail Services advises agencies on efficient mailing practices and provides comprehensive mailing services to most state agencies operating within the Jefferson City area. Risk Management administers the Legal Expense Fund and the workers' compensation program for state employees, purchases insurance as required, and advises state agencies on risk management issues. Vehicle Maintenance operates a centralized maintenance facility to provide mechanical repairs and body shop services for state vehicles based in the Mid-Missouri area. Fleet Management establishes statewide policies governing state vehicle operations and management; coordinates a centralized fleet information system; operates a consolidated car pool serving agencies in the Jefferson City area; and serves as a resource for fleet management issues. Surplus Property is responsible for transfers and disposal of state surplus property and distribution of excess federal property to eligible entities. State Recycling coordinates statewide recycling efforts and serves as a resource for recycling issues. General Services also provides administrative support and staffing to operate the Missouri Public Entity Risk Management Fund (MOPERM) program and coordinates the Missouri State Employees Charitable Campaign.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
ASSIGNED PROGRAMS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administrative Hearing Commission	\$ 1,003,499	\$ 1,200,892	\$ 1,200,892
Office of Child Advocate	314,916	326,430	326,430
Children's Trust Fund	2,141,512	3,135,088	3,135,088
Governor's Council on Disability	188,936	213,611	198,611
Missouri Ethics Commission	1,207,838	1,412,906	1,517,332
Alternatives to Abortion	1,981,056	6,458,561	0
TOTAL	\$ 6,837,757	\$ 12,747,488	\$ 6,378,353
PERSONAL SERVICE			
General Revenue Fund	2,060,139	2,462,016	2,548,428
Federal Funds	121,725	128,189	128,189
Other Funds	267,323	299,965	299,965
EXPENSE AND EQUIPMENT			
General Revenue Fund	523,429	517,500	417,939
Federal Funds	18,774	14,825	14,825
Other Funds	65,722	167,807	167,807
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,870,728	2,006,186	200
Federal Funds	50,000	4,350,000	0
Other Funds	1,859,917	2,801,000	2,801,000
TOTAL			
General Revenue Fund	4,454,296	4,985,702	2,966,567
Federal Funds	190,499	4,493,014	143,014
Other Funds	2,192,962	3,268,772	3,268,772
Total Full-time Equivalent Employees	60.50	66.50	68.50
General Revenue Fund	39.82	44.49	46.49
Federal Funds	2.10	2.30	2.30
Other Funds	18.58	19.71	19.71

ADMINISTRATIVE HEARING COMMISSION

The Administrative Hearing Commission (AHC) is an executive branch court that decides disputes, usually between a state agency and a business or individual, after a trial-type hearing. Its decisions are subject to review by judicial branch courts, if a party wishes to appeal. The AHC's jurisdiction is broad and frequently expanding with the passage of new legislation. Matters under its jurisdiction include state tax disputes; Medicaid provider payment disputes; due process complaints filed under the federal Individuals with Disabilities Education Act (IDEA); appeal of personnel matters under the state's merit system; discipline of professional licenses, as well as appeals of denials of those licenses; motor vehicle dealer licenses; decisions of certain commissions under the Department of Natural Resources; appeals of orders issued by the Ethics Commission; liquor control licenses; motor carrier and railroad safety matters; and surety agent licenses. The AHC is also statutorily charged with jurisdiction over certain franchisor-franchisee disputes, and serves as hearing officer pursuant to memoranda of understanding with the Missouri Commission on Human Rights and the Department of Agriculture. The AHC's jurisdiction was recently expanded to include appeals from DESE decisions, involving scholarship-granting organizations and special education students. The AHC consists of not more than five commissioners, appointed by the Governor and confirmed by the Senate, who serve six-year terms.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

OFFICE OF ADMINISTRATION ASSIGNED PROGRAMS

OFFICE OF CHILD ADVOCATE

The Office of Child Advocate (OCA) provides families and citizens an avenue through which they can obtain an independent and impartial review of the decisions and/or actions made by the Department of Social Services, Children's Division. The main duties of the Office of Child Advocate are: (1) review foster care cases; (2) review unsubstantiated hotline investigations; (3) mediate between parents and schools regarding abuse allegations that occur in a school setting; (4) review child fatalities when there is a history of child abuse and neglect concerns or involvement with Children's Division; (5) intervene on behalf of a child during judicial proceedings; (6) review policy and procedures of Children's Division, the Juvenile Office and guardian ad litem within a county; and (7) provide information and referrals for families needing resources. The OCA is managed by the Child Advocate, who is appointed jointly by the Governor and the Chief Justice of the Missouri Supreme Court, with the advice and consent of the Senate, and reports to the Commissioner of Administration.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

CHILDREN'S TRUST FUND

The Children's Trust Fund (CTF) works to prevent child abuse and neglect and strengthen families through grant distribution, education, awareness, and training. CTF was established by state statute in 1983 as a public-private partnership governed by a 21-member Board of Directors, including seventeen public members appointed by the Governor, of whom twelve require the advice and consent of the Senate. Unique in its origin and mission, CTF is the only state agency to receive non-general revenue funding for the specific purpose of child abuse and neglect prevention. Funding is obtained from dedicated fees on marriage licenses and vital records, voluntary contributions designated on Missouri state income tax returns, sales of the CTF prevent child abuse license plate depicting a child's green handprints, general donations, interest income from the Fund, and other grants. CTF funded programs include building the protective factors known to strengthen families and prevent abuse, positive parenting education and engagement, family support, home visiting, mentoring, crisis nurseries, fatherhood and grandparent support, child sexual abuse prevention, prevention of Shaken Baby Syndrome/abusive head trauma, safe sleep environments for infants, not leaving children unattended in vehicles, training, and community education.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

GOVERNOR'S COUNCIL ON DISABILITY

The Governor's Council on Disability (GCD) provides education and technical assistance to people with disabilities and the public about civil rights, employment, education, housing, and transportation; and ensures equal access and full participation for all individuals with disabilities in their communities at the local, state, and federal levels. GCD works to ensure that proposed legislation respect the rights of people with disabilities through legislative updates and the Legislation Education Project. The Council offers a summer leadership program for high school students with disabilities called the MO Youth Leadership Forum. Annually, the Inclusion Awards honors employers, or other entities or individuals, who have done an outstanding job promoting the inclusion of people with disabilities in the state. Additionally, the Youth Leadership Award honors a youth with disabilities who demonstrates outstanding leadership skills in their community. A new award, the Website/IT award, will be awarded to the non-profit, business, or local government agency that has the most informative and accessible website. The Governor appoints 21 members-at-large, representing each Congressional district.

Fiscal Year 2018 Governor's Recommendations

- (\$15,000) core reduction for one-time expenditures.

MISSOURI PUBLIC ENTITY RISK MANAGEMENT PROGRAM

The Missouri Public Entity Risk Management (MOPERM) operates a shared-risk program offering tort liability, property, and other coverages for participating political subdivisions of the state. Membership of the board consists of the Attorney General, the Commissioner of Administration, and four members appointed by the Governor with the advice and consent of the Senate, who are officers or employees of those public entities participating in the fund.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

OFFICE OF ADMINISTRATION ASSIGNED PROGRAMS

MISSOURI ETHICS COMMISSION

The Missouri Ethics Commission (MEC) is charged with the enforcement of conflict of interest, personal financial disclosure, and lobbying laws as well as campaign finance disclosure laws. The MEC also educates public officials, candidates for public office, registered lobbyists and the public about these laws. The MEC is composed of six members, appointed by the Governor with advice and consent of the Senate, for four year terms. Each member must be from a different congressional district with three Democrats and three Republicans serving at a given time.

Fiscal Year 2018 Governor's Recommendations

- \$104,426 and two staff to implement the provisions of SB 786 (2016) relating to elections.

ALTERNATIVES TO ABORTION

The Alternatives to Abortion Program was established in 2007 through Section 188.325, RSMo. The program is designed to assist low-income pregnant women in carrying their unborn child to term instead of having an abortion, and to assist them in caring for their child or placing their child for adoption. The program provides services and counseling during pregnancy and for one year following birth. The program is currently administered through the Commissioner's Office, which manages eight contracts with community-based, non-profit organizations to provide these services to eligible women and their children.

Fiscal Year 2018 Governor's Recommendations

- (\$6,458,561) transferred to the Department of Social Services, including (\$2,108,561) general revenue.

**OFFICE OF ADMINISTRATION
DEBT AND RELATED OBLIGATIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Board of Public Buildings Debt Service	\$ 49,022,704	\$ 64,280,680	\$ 63,414,330
Lease/Purchase Debt Service	16,093,127	16,083,614	16,082,539
Missouri Health and Educational Facilities Authority Debt Service	2,532,400	2,526,600	2,522,625
Missouri Historical Society Building Debt Service	0	2,700,000	2,333,344
Debt Management	51,254	83,300	83,300
Convention and Sports Complex Projects	17,000,000	5,000,000	17,000,000
Fulton State Hospital Bonding	5,660,694	14,200,000	12,349,819
TOTAL	\$ 90,360,179	\$ 104,874,194	\$ 113,785,957
 EXPENSE AND EQUIPMENT			
General Revenue Fund	53,054	93,722	93,722
 PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	87,879,729	102,362,915	111,274,553
Other Funds	2,427,396	2,417,557	2,417,682
TOTAL			
General Revenue Fund	87,932,783	102,456,637	111,368,275
Other Funds	2,427,396	2,417,557	2,417,682
 Total Full-time Equivalent Employees	0.00	0.00	0.00

BOARD OF PUBLIC BUILDINGS DEBT SERVICE

This appropriation is for payment of principal, interest, and fees related to outstanding bonds.

Fiscal Year 2018 Governor's Recommendations

- (\$866,350) core reduction from the Fiscal Year 2017 appropriation level.

LEASE/PURCHASE DEBT SERVICE

This appropriation is for the payment of principal, interest, and fees on outstanding financings.

Fiscal Year 2018 Governor's Recommendations

- \$125 State Facility Maintenance and Operation Fund for the payment of annual debt.
- (\$1,200) core reduction from the Fiscal Year 2017 appropriation level.

MISSOURI HEALTH AND EDUCATIONAL FACILITIES AUTHORITY DEBT SERVICE

This appropriation is for the payment of principal, interest, and fees on outstanding financings.

Fiscal Year 2018 Governor's Recommendations

- (\$3,975) core reduction from the Fiscal Year 2017 appropriation level.

MISSOURI HISTORICAL SOCIETY BUILDING DEBT SERVICE

This appropriation is for the principal, interest, and fees on outstanding bonds.

Fiscal Year 2018 Governor's Recommendations

- (\$366,656) core reduction from the Fiscal Year 2017 appropriation level.

**OFFICE OF ADMINISTRATION
DEBT AND RELATED OBLIGATIONS**

DEBT MANAGEMENT

This appropriation is for professional assistance with managing the state's \$1.1 billion outstanding debt so that the Office of Administration can monitor the debt and act quickly to take advantage of savings opportunities.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

CONVENTION AND SPORTS COMPLEX PROJECTS

Sections 67.641 and 67.653, RSMo, authorize annual appropriations of state matching funds for convention and sports complex capital projects in certain cities and counties. Edward Jones Dome debt service appropriation is for the payment of principal, interest, and fees on outstanding financings.

Fiscal Year 2018 Governor's Recommendations

- \$12,000,000 transferred from the State Treasurer's Office for the St. Louis Dome payment.

FULTON STATE HOSPITAL BONDING

This appropriation is for the payment of principal, interest, and fees for bonds related to the replacement and renovation of the Fulton State Hospital.

Fiscal Year 2018 Governor's Recommendations

- (\$1,850,181) core reduction from the Fiscal Year 2017 appropriation level.

**OFFICE OF ADMINISTRATION
ADMINISTRATIVE DISBURSEMENTS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Cash Management Improvement Act	\$ 7,016	\$ 340,000	\$ 340,000
Budget Reserve Interest	1,450,871	3,500,000	3,500,000
Budget Reserve Required Transfer	39,849,332	2	2
Other Fund Corrections	263,153	883,283	800,000
Statewide Dues	114,200	231,000	231,000
Flood Control Lands Grant	1,660,538	1,800,000	1,800,000
National Forest Reserve Grant	5,322,499	8,000,000	8,000,000
County Prosecution Reimbursements	26,000	30,000	30,000
Regional Planning Commissions	97,000	200,000	0
Elected Officials Transition	0	150,000	0
TOTAL	\$ 48,790,609	\$ 15,134,285	\$ 14,701,002
PERSONAL SERVICES			
General Revenue Fund	0	56,000	0
EXPENSE AND EQUIPMENT			
General Revenue Fund	121,216	625,000	531,000
Federal Funds	0	20,000	20,000
Other Funds	0	20,000	20,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	41,387,848	3,363,284	3,080,001
Federal Funds	7,006,120	9,800,000	9,800,000
Other Funds	275,425	1,250,001	1,250,001
TOTAL			
General Revenue Fund	41,509,064	4,044,284	3,611,001
Federal Funds	7,006,120	9,820,000	9,820,000
Other Funds	275,425	1,270,001	1,270,001
Total Full-time Equivalent Employees	0.00	0.00	0.00

Acting as the central financial agency for the state, the Office of Administration makes numerous disbursements each year.

CASH MANAGEMENT IMPROVEMENT ACT

The federal Cash Management Improvement Act of 1990 and 1992 requires that the state pay interest on certain federal grant monies while deposited in the State Treasury. Interest is calculated and paid at the daily equivalent of the annualized 13-week average Treasury Bill Rate.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

BUDGET RESERVE INTEREST

In the event that any state fund borrows money from the Budget Reserve Fund or other funds, that fund must repay the loan with interest.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

OFFICE OF ADMINISTRATION ADMINISTRATIVE DISBURSEMENTS

BUDGET RESERVE REQUIRED TRANSFER

Article IV, Section 27(a), requires a transfer from either general revenue or the Budget Reserve Fund, depending on actual revenue collections and the balance in the Budget Reserve Fund at the close of a fiscal year.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

OTHER FUND CORRECTIONS

This transfer section allows corrections when money is erroneously deposited into the wrong fund.

Fiscal Year 2018 Governor's Recommendations

- (\$83,283) core reduction from the Fiscal Year 2017 appropriation level.

STATEWIDE DUES

The State of Missouri belongs to several national and regional associations which benefit all state agencies.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

FLOOD CONTROL LANDS GRANT

The Flood Control Lands Grant is a pass-through of funds that represents 75 percent of the monies from leases of the land owned by the United States under the Flood Control Act. Sections 12.080 and 12.090, RSMo, prescribe that the funds be used for the benefit of public schools and public roads of the county in which the government land is situated. These funds may also be used for any expenses of the county government, including public obligations of levee and drainage districts for flood control and drainage improvements.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

NATIONAL FOREST RESERVE GRANT

The National Forest Reserve Grant is a pass-through of funds received from the federal government. Sections 12.070 and 12.090, RSMo, provide for 25 percent of all the money received by the National Forest Reserve by the state to be expended for the benefit of public schools and public roads of the county in which the forest reserve is located. Of the total received, 75 percent will be spent for public schools and 25 percent for public roads.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

COUNTY PROSECUTION REIMBURSEMENTS

The state may provide reimbursement to counties for expenses incurred in the prosecution of crimes within correctional institutions and expenses of trials of capital cases in limited circumstances.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**OFFICE OF ADMINISTRATION
ADMINISTRATIVE DISBURSEMENTS**

REGIONAL PLANNING COMMISSIONS

State financial aid enables local governments, through regional planning commissions, to initiate programs and services identified as important by member governments. State funds are matched by local funds.

Fiscal Year 2018 Governor's Recommendations

- (\$200,000) core reduction from the Fiscal Year 2017 appropriation level.

ELECTED OFFICIALS TRANSITION

The state provides operating costs for the transition into office of newly elected officials, including the Governor, Lieutenant Governor, Secretary of State, Treasurer, and Attorney General.

Fiscal Year 2018 Governor's Recommendations

- (\$150,000) core reduction for one-time expenditures.

FRINGE BENEFITS

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
OASDHI Contributions	\$ 147,047,533	\$ 161,769,203	\$ 161,769,203	\$ 161,922,767
Missouri State Employees' Retirement System	318,455,699	346,841,559	394,515,301	393,255,045
Teacher Retirement Contributions	112,484	192,000	152,000	152,000
Unemployment Benefits	1,762,941	3,751,467	3,751,467	3,749,459
Missouri Consolidated Health Care Plan	388,312,975	394,609,336	450,829,133	403,350,316
Workers' Compensation	35,934,813	36,096,171	36,096,171	36,086,554
Other Employer Disbursements	3,611,968	3,936,001	3,936,001	3,936,001
TOTAL	\$ 895,238,413	\$ 947,195,737	\$ 1,051,049,276	\$ 1,002,452,142
General Revenue Fund	544,601,712	561,729,850	625,165,613	593,926,712
Federal Funds	186,916,050	204,347,447	227,644,271	216,798,270
Other Funds	163,720,651	181,118,440	198,239,392	191,727,160

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$1,002.5 million for employee retirement, health care, and other benefits.

**FRINGE BENEFITS
OASDHI CONTRIBUTIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
OASDHI Contributions	\$ 139,739,162	\$ 153,316,854	\$ 153,447,418
Highway Patrol OASDHI Contributions	7,308,371	8,452,349	8,475,349
TOTAL	\$ 147,047,533	\$ 161,769,203	\$ 161,922,767
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	72,095,357	76,057,250	76,133,000
Federal Funds	27,659,261	32,081,026	32,067,541
Other Funds	47,292,915	53,630,927	53,722,226

The State of Missouri pays the employer's share of federal Old Age and Survivors Disability and Health Insurance contributions on all state employees' salaries.

Fiscal Year 2018 Governor's Recommendations

- \$456,000 for new personal service statewide, including \$261,000 general revenue.
- (\$174,423) core reduction from the Fiscal Year 2017 appropriation level, including (\$140,665) general revenue.
- (\$97,009) transferred to the Department of Social Services for fringes savings due to using contract employees, including (\$13,581) general revenue.
- (\$31,004) transferred to the Department of Mental Health for fringe savings due to using contract employees.

FRINGE BENEFITS
MISSOURI STATE EMPLOYEES' RETIREMENT SYSTEM CONTRIBUTIONS

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri State Employees' Retirement System Contribution			
TOTAL	\$ 318,455,699	\$ 346,841,559	\$ 393,255,045
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	197,645,765	208,143,086	234,538,000
Federal Funds	66,491,147	75,490,647	86,355,893
Other Funds	54,318,787	63,207,826	72,361,152

The State of Missouri provides an employee retirement program through a combination of employer and employee contributions to the Missouri State Employees' Retirement System. The state's contribution includes semimonthly payments to the applicable Missouri state employee benefit plan and a payment of long-term disability premiums.

Fiscal Year 2018 Governor's Recommendations

- \$45,896,000 for actuarially recommended retirement benefit contribution rate increases, including \$26,042,000 general revenue.
- \$1,176,000 for new personal service statewide, including \$720,000 general revenue.
- (\$359,314) core reduction from the Fiscal Year 2017 appropriation level, including (\$262,880) general revenue.
- (\$226,737) transferred to the Department of Social Services for fringes savings due to using contract employees, including (\$31,743) general revenue.
- (\$72,463) transferred to the Department of Mental Health for fringe savings due to using contract employees.

**FRINGE BENEFITS
TEACHER RETIREMENT CONTRIBUTIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Teacher Retirement Contributions TOTAL	\$ 112,484	\$ 192,000	\$ 152,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	93,842	150,000	120,000
Federal Funds	17,788	40,000	30,000
Other Funds	854	2,000	2,000

Section 104.342, RSMo, provides that the Commissioner of Administration shall monthly requisition and certify the payment of contributions to the Public School Retirement System (PSRS). The Department of Elementary and Secondary Education and the Department of Social Services employ certified teachers who remain members of the PSRS.

Fiscal Year 2018 Governor's Recommendations

- (\$40,000) core reduction from the Fiscal Year 2017 appropriation level, including (\$30,000) general revenue.

**FRINGE BENEFITS
DISBURSEMENT FOR UNEMPLOYMENT BENEFITS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Unemployment Benefits	\$ 1,740,134	\$ 3,606,525	\$ 3,604,517
Highway Patrol Unemployment Benefits	22,807	144,942	144,942
TOTAL	\$ 1,762,941	\$ 3,751,467	\$ 3,749,459
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	800,729	1,635,024	1,634,325
Federal Funds	450,681	660,776	659,619
Other Funds	511,531	1,455,667	1,455,515

The State of Missouri contributes to the Division of Employment Security to fulfill unemployment claims of former employees. A governmental entity may elect to either pay contributions in advance based on a statutory formula or reimburse the Division of Employment Security for actual claims paid. The State of Missouri reimburses for actual claims. By using this deferred method of payment and one central appropriation, the state simplifies the administration of unemployment benefits.

Fiscal Year 2018 Governor's Recommendations

- (\$1,522) transferred to the Department of Social Services for fringes savings due to using contract employees, including (\$213) general revenue.
- (\$486) transferred to the Department of Mental Health for fringe savings due to using contract employees.

FRINGE BENEFITS
MISSOURI CONSOLIDATED HEALTH CARE PLAN

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Consolidated Health Care Plan Contributions			
TOTAL	\$ 388,312,975	\$ 394,609,336	\$ 403,350,316
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	238,839,906	240,877,318	246,643,832
Federal Funds	92,297,173	96,074,998	97,685,217
Other Funds	57,175,896	57,657,020	59,021,267

The Missouri Consolidated Health Care Plan administers health care benefits for most state employees and retirees. Municipalities and other public entities may join the Missouri Consolidated Health Care Plan as well, building a larger pool of members and greater bargaining power for lower cost medical services.

Fiscal Year 2018 Governor's Recommendations

- \$8,064,516 to continue the state's share of the state employee health care benefit plan, including \$5,000,000 general revenue.
- \$1,230,462 for new personal service statewide, including \$921,774 general revenue.
- (\$337,822) transferred to the Department of Social Services for fringes savings due to using contract employees, including (\$47,295) general revenue.
- (\$108,211) federal funds core reduction from the Fiscal Year 2017 appropriation level.
- (\$107,965) transferred to the Department of Mental Health for fringe savings due to using contract employees.

**FRINGE BENEFITS
WORKERS' COMPENSATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Workers' Compensation	\$ 32,825,576	\$ 33,366,171	\$ 33,356,554
Workers' Compensation/Second Injury Fund Tax	3,109,237	2,730,000	2,730,000
TOTAL	\$ 35,934,813	\$ 36,096,171	\$ 36,086,554
EXPENSE AND EQUIPMENT			
General Revenue Fund	28,249,925	22,038,000	22,038,000
Other Funds	624,367	900,000	900,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	6,876,188	12,793,171	12,783,554
Other Funds	184,333	365,000	365,000
TOTAL			
General Revenue Fund	35,126,113	34,831,171	34,821,554
Other Funds	808,700	1,265,000	1,265,000

In accordance with Chapter 287, RSMo, the State of Missouri is responsible for paying Workers' Compensation benefits to injured state employees. Payments made by general revenue on behalf of employees paid from other funding sources are reimbursed by these non-general revenue funds. A self-insurer, the state pays its Workers' Compensation tax and Second Injury Fund assessments based on billings received from the Department of Revenue and the Division of Workers' Compensation.

Fiscal Year 2018 Governor's Recommendations

- (\$6,687) transferred to the Department of Mental Health for fringe savings due to using contract employees.
- (\$2,930) transferred to the Department of Social Services for fringe savings due to using contract employees.

**FRINGE BENEFITS
OTHER EMPLOYER DISBURSEMENTS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Voluntary Life Insurance	\$ 3,611,968	\$ 3,900,000	\$ 3,900,000
Cafeteria Plan Transfer	0	1	1
HR Contingency Transfer	0	36,000	36,000
TOTAL	\$ 3,611,968	\$ 3,936,001	\$ 3,936,001
 PERSONAL SERVICE			
General Revenue Fund	0	36,001	36,001
Other Funds	3,611,968	3,900,000	3,900,000

VOLUNTARY LIFE INSURANCE

State employees may opt to withhold a portion of their salaries for voluntary life insurance. This appropriation provides expenditure authority to distribute the monies withheld to the various life insurance companies as designated by employees.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

CAFETERIA PLAN TRANSFER

The state offers a tax reduction plan for state employees who set aside a portion of their salaries for certain expenses such as medical care and dependent care. The federal government requires the state to provide a sufficient balance in the medical expenses category for timely reimbursements to plan participants.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

HUMAN RESOURCES CONTINGENCY FUND TRANSFER

This transfer section ensures that payroll checks are timely for payment against accounts with temporary allotment or fund cash flow problems.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF AGRICULTURE

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Office of the Director	\$ 7,320,577	\$ 15,881,397	\$ 15,887,633	\$ 6,258,400
Agriculture Business Development Division	4,467,987	11,059,464	11,051,261	5,855,398
Division of Animal Health	5,525,940	6,654,536	6,656,024	6,854,536
Division of Grain Inspection and Warehousing	3,162,154	3,423,593	3,425,329	3,980,293
Division of Plant Industries	3,152,455	4,343,378	4,343,347	5,334,459
Division of Weights, Measures and Consumer Protection	3,853,038	5,102,672	5,051,672	5,901,420
Missouri State Fair	4,113,068	5,241,351	5,247,346	4,741,351
State Milk Board	1,066,885	1,509,869	1,509,869	1,509,869
DEPARTMENTAL TOTAL	\$ 32,662,104	\$ 53,216,260 *	\$ 53,172,481	\$ 40,435,726
General Revenue Fund	10,620,105	22,059,329	22,061,495	6,752,189
Federal Funds	2,315,849	7,667,530	7,653,808	7,981,633
Other Funds	19,726,150	23,489,401	23,457,178	25,701,904

Total Full-time Equivalent Employees	385.94	447.01	447.01	456.01
General Revenue Fund	79.43	89.14	89.14	88.14
Federal Funds	31.66	43.21	43.21	47.21
Other Funds	274.85	314.66	314.66	320.66

* Does not include \$175,465 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Agriculture supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$40.4 million for the Department of Agriculture. The department provides services for Missouri's farmers, ranchers, agriculture processors, and consumers of food and fuel products. The Governor's budget includes strategic investments in agriculture, including funds to: foster local livestock production, improve food safety, and ensure market fairness for businesses and consumers. The core functions provided by the Department of Agriculture include:

- Promote Missouri agriculture, both at home and abroad.
- Assist start-up value-added agriculture businesses.
- Protect Missouri's livestock and domestic animals, and the businesses and citizens who rely on them.
- Inspect Missouri's grains, fresh fruits, vegetables, milk, feed, seed, plants, and forest products.
- Regulate, control, and inspect measuring devices and petroleum products.

**DEPARTMENT OF AGRICULTURE
OFFICE OF THE DIRECTOR**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Office of the Director			
TOTAL	\$ 7,320,577	\$ 15,881,397	\$ 6,258,400
PERSONAL SERVICE			
Federal Funds	149,491	199,293	199,293
Other Funds	895,608	917,750	917,750
EXPENSE AND EQUIPMENT			
Federal Funds	34,126	384,374	384,374
Other Funds	146,139	131,138	131,138
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	5,795,750	10,653,925	1,030,928
Federal Funds	183,076	3,459,917	3,459,917
Other Funds	116,387	135,000	135,000
TOTAL			
General Revenue Fund	5,795,750	10,653,925	1,030,928
Federal Funds	366,693	4,043,584	4,043,584
Other Funds	1,158,134	1,183,888	1,183,888
Total Full-time Equivalent Employees	18.61	21.00	21.00
Federal Funds	3.08	3.45	3.45
Other Funds	15.53	17.55	17.55

The Office of the Director initiates policy decisions on agricultural issues, establishes department goals and priorities, and coordinates activities of the various divisions to achieve those goals. The Office of the Director includes administrative functions such as financial services, human resources, and public information. The Director's Office also administers the Biodiesel Producer Incentive Program.

Fiscal Year 2018 Governor's Recommendations

- (\$9,622,997) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF AGRICULTURE
AGRICULTURE BUSINESS DEVELOPMENT DIVISION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Agriculture Business Development Division			
TOTAL	\$ 4,467,987	\$ 11,059,464	\$ 5,855,398
PERSONAL SERVICE			
Federal Funds	1,707	62,205	62,205
Other Funds	1,601,518	1,783,517	1,783,517
EXPENSE AND EQUIPMENT			
General Revenue Fund	74,142	74,143	0
Federal Funds	3,555	29,451	29,451
Other Funds	2,532,015	2,745,124	2,709,651
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	5,835,000	725,000
Federal Funds	105,694	163,759	163,759
Other Funds	149,356	366,265	381,815
TOTAL			
General Revenue Fund	74,142	5,909,143	725,000
Federal Funds	110,956	255,415	255,415
Other Funds	4,282,889	4,894,906	4,874,983
Total Full-time Equivalent Employees	35.14	40.28	40.28
Federal Funds	0.03	1.26	1.26
Other Funds	35.11	39.02	39.02

The Agriculture Business Development Division (ABD) improves the profitability of Missouri's farmers and agribusinesses by increasing international and domestic sales of agricultural products that are produced or processed in Missouri. The division provides services for Missouri farmers and agribusinesses, including: business planning, domestic and international marketing assistance, product promotion, and financial assistance programs. Financial assistance programs are administered through the Missouri Agricultural and Small Business Development Authority (MASBDA), which is governed by an independent board. MASBDA administers loans, loan guarantees, grants, and tax credits aimed at increasing the profitability of Missouri's farmers. The Wine and Grape Board furthers the growth and development of the Missouri grape growing and wine making industries through research and promotion that improves the quality of grapes grown, advances the methods of wine making, and promotes the sale and distribution of Missouri wine. The ABD also administers the AgriMissouri branding initiative which promotes products that are produced or processed in Missouri through a variety of marketing channels, including retail, restaurants, schools, institutions, and direct-to-consumer marketing. Over 2,400 Missouri businesses are members of AgriMissouri. Members of the AgriMissouri Advisory Commission for Marketing Missouri Agricultural Products serve as advisors to the department's AgriMissouri marketing efforts.

Fiscal Year 2018 Governor's Recommendations

- \$500,000 for research of the dairy industry.
- (\$5,684,143) core reduction from the Fiscal Year 2017 appropriation level.
- (\$19,923) Agriculture Protection Fund core reduction for one-time expenditures.

**DEPARTMENT OF AGRICULTURE
DIVISION OF ANIMAL HEALTH**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Animal Health			
TOTAL	\$ 5,525,940	\$ 6,654,536	\$ 6,854,536
PERSONAL SERVICE			
General Revenue Fund	2,481,771	2,629,803	2,629,803
Federal Funds	744,895	807,745	807,745
Other Funds	261,426	572,456	572,456
EXPENSE AND EQUIPMENT			
General Revenue Fund	878,702	907,293	907,293
Federal Funds	250,750	402,803	402,803
Other Funds	873,118	968,406	1,168,406
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	11,371	10,000	10,000
Federal Funds	3,975	163,580	163,580
Other Funds	19,932	192,450	192,450
TOTAL			
General Revenue Fund	3,371,844	3,547,096	3,547,096
Federal Funds	999,620	1,374,128	1,374,128
Other Funds	1,154,476	1,733,312	1,933,312
Total Full-time Equivalent Employees	74.13	86.42	84.42
General Revenue Fund	51.15	58.42	57.42
Federal Funds	16.84	18.60	18.60
Other Funds	6.14	9.40	8.40

The Division of Animal Health implements programs to protect Missouri's livestock, poultry, and other domestic animals from dangerous, infectious, or contagious diseases. These responsibilities include the enforcement of animal health regulations. Through control, containment, and elimination of diseases and diseased animals, the division enables Missouri's livestock and poultry to remain eligible for interstate and international export marketing. Diagnostic laboratories are maintained in Jefferson City and Springfield. The division also works closely with USDA-Veterinary Services and receives significant federal funding as a result of this relationship. To ensure the health and well-being of companion animals sold in Missouri, the division's Animal Care Program also licenses and inspects animal shelters, dog pounds, boarding kennels, commercial kennels, contract kennels, and pet shops. The division's Meat and Poultry Inspection Program works with producers to promote, protect, and develop the agricultural interests of Missouri processed meat products. This program helps livestock and poultry producers add value to their operations and capture additional profits from their meat and poultry products.

Fiscal Year 2018 Governor's Recommendations

- \$200,000 Animal Health Laboratory Fee Fund to meet increased demand for Animal Health Laboratory services.
- (Two) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF AGRICULTURE
DIVISION OF GRAIN INSPECTION AND WAREHOUSING**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Grain Inspection and Warehousing			
TOTAL	\$ 3,162,154	\$ 3,423,593	\$ 3,980,293
PERSONAL SERVICE			
General Revenue Fund	653,939	707,473	707,473
Federal Funds	5,239	36,337	36,337
Other Funds	1,700,536	1,789,879	2,089,094
EXPENSE AND EQUIPMENT			
General Revenue Fund	99,350	85,928	85,928
Federal Funds	3,831	10,211	10,211
Other Funds	663,373	604,765	862,250
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	26,000	26,000
Other Funds	35,886	163,000	163,000
TOTAL			
General Revenue Fund	753,289	793,401	793,401
Federal Funds	9,070	72,548	72,548
Other Funds	2,399,795	2,557,644	3,114,344
Total Full-time Equivalent Employees	64.36	73.75	82.75
General Revenue Fund	14.42	17.00	17.00
Federal Funds	0.11	0.50	0.50
Other Funds	49.83	56.25	65.25

The Division of Grain Inspection and Warehousing operates four programs to assist Missouri grain farmers and agribusinesses. The Grain Regulatory Services Program enforces grain warehouse and dealer laws to ensure grain producers that licensed grain warehouses and grain dealers are reputable businesses in sound financial condition. The Grain Inspection Services Program performs official inspection and weighing of grain upon request to assist both grain farmers and grain businesses in the marketing of Missouri's corn, soybean, wheat, and other grain crops. The program helps ensure food safety by performing USDA mandated inspections on edible rice, peas, and beans. All costs are paid from fees charged for services performed. The division also administers the state's Certified Agricultural Mediation Program, which mediates disputes between Missouri farmers and USDA agencies, and the Commodity Merchandising Program, which provides centralized administration for the collection and distribution of fees for nine commodity check-off programs.

Fiscal Year 2018 Governor's Recommendations

- \$368,500 Grain Inspection Fee Fund and nine staff to meet increased demand for grain inspection services.
- \$195,200 Grain Inspection Fee Fund to replace grain inspection equipment.
- (\$7,000) Grain Inspection Fee Fund transferred to the Office of Administration for leased space.

**DEPARTMENT OF AGRICULTURE
DIVISION OF PLANT INDUSTRIES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Plant Industries			
TOTAL	\$ 3,152,455	\$ 4,343,378	\$ 5,334,459
PERSONAL SERVICE			
Federal Funds	438,121	766,294	945,294
Other Funds	1,818,765	2,019,210	2,097,210
EXPENSE AND EQUIPMENT			
Federal Funds	347,866	921,796	1,056,899
Other Funds	542,826	550,379	1,149,357
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	4,877	85,475	85,475
Other Funds	0	224	224
TOTAL			
Federal Funds	790,864	1,773,565	2,087,668
Other Funds	2,361,591	2,569,813	3,246,791
Total Full-time Equivalent Employees	55.82	69.46	75.46
Federal Funds	10.77	18.40	22.40
Other Funds	45.05	51.06	53.06

The Division of Plant Industries operates four programs serving Missouri agriculture. The Feed, Seed, and Treated Timber Program performs sampling and laboratory analyses of planting seed and commercial feeds to ensure that they meet requirements for accurate labeling. Inspections are also conducted to ensure good manufacturing practices are followed and that prohibited mammalian protein is not formulated into feed rations to help prevent the dissemination of Bovine Spongiform Encephalopathy (Mad Cow Disease). The program also inspects treated wood products to ensure that minimum preservation standards are met. The Pesticide Control Program promotes the safe use of pesticides by licensing private and commercial applications, conducting field inspections, conducting investigations of pesticide misuse, and ensuring the proper registration of pesticides. The Plant Pest Control Program conducts inspections of nurseries, greenhouses, and other plant products to prevent the introduction and dissemination of insect, disease, and noxious weed pests that could be detrimental to plants and crops. Phytosanitary certification inspections are also conducted for plant materials being exported to other states and countries. The Integrated Pest Management Program promotes effective alternative strategies to traditional pest control through the use of biological control agents, pest resistant varieties, and adoption of improved cultural practices. The program assists county weed control boards in the control and eradication of Johnson grass and other noxious weeds. The program also performs shipping point and terminal market inspections of fresh fruits and vegetables to facilitate the sale of Missouri grown produce and ensure the quality of produce sold to consumers.

Fiscal Year 2018 Governor's Recommendations

- \$362,000 Agriculture Protection Fund to replace feed laboratory equipment.
- \$327,825 federal funds and four staff to implement federal produce safety standards.
- \$317,000 Agriculture Protection Fund and two staff for increased pesticide use investigations.
- (\$15,744) federal and other funds core reduction for one-time expenditures.

**DEPARTMENT OF AGRICULTURE
DIVISION OF WEIGHTS, MEASURES AND CONSUMER PROTECTION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Weights and Measures and Consumer Protection Programs	\$ 2,928,845	\$ 3,760,578	\$ 4,559,326
Missouri Land Survey Program	924,193	1,342,094	1,342,094
TOTAL	\$ 3,853,038	\$ 5,102,672	\$ 5,901,420
PERSONAL SERVICE			
General Revenue Fund	426,115	448,567	448,567
Federal Funds	35,741	38,290	38,290
Other Funds	2,398,009	3,040,501	3,040,501
EXPENSE AND EQUIPMENT			
General Revenue Fund	97,384	100,396	100,396
Federal Funds	2,905	80,000	80,000
Other Funds	892,884	1,364,918	2,163,666
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds		30,000	30,000
TOTAL			
General Revenue Fund	523,499	548,963	548,963
Federal Funds	38,646	148,290	148,290
Other Funds	3,290,893	4,405,419	5,204,167
Total Full-time Equivalent Employees	75.71	84.79	82.79
General Revenue Fund	11.62	11.59	11.59
Federal Funds	0.83	1.00	1.00
Other Funds	63.26	72.20	70.20

The Division of Weights, Measures and Consumer Protection operates five regulatory programs and two laboratories to fulfill its goal of protecting consumers. The Device and Commodity Program inspects livestock market, grain elevator, vehicle, and small retail scales and scanning devices to ensure their accuracy. In addition, milk sales practices are monitored and shell eggs are inspected for quality. The Petroleum/Propane/Anhydrous Ammonia Program protects consumers against inaccurate and unsafe gasoline pumps and unsafe practices by the retailer. In addition, the program approves propane gas delivery truck and dispenser meters to prevent overcharges on fuel bills and oversees anhydrous ammonia fertilizer installations for safety. The Metrology Laboratory certifies volume and weight standards used by measuring device service repair technicians, maintains all mass and volume standards used for calibrating industry standards, and certifies all weighing and measuring devices used by the division's inspectors. In addition, the Moisture Meter Program protects Missouri farmers against unjustified discounts on grain sales due to inaccurate moisture content values. The Fuel Quality Program and laboratory collect samples and perform chemical analyses on gasoline, diesel fuel, heating oil, and other fuels to ensure that octane and other quality specifications are met. The Missouri Land Survey Program is responsible for restoring and maintaining the U.S. Public Land Survey System in Missouri and serves as a repository for the state's land survey records.

Fiscal Year 2018 Governor's Recommendations

- \$849,748 Petroleum Inspection Fund to replace motor fuel quality lab equipment.
- (\$51,000) Agriculture Protection Fund core reduction for one-time expenditures.
- (Two) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF AGRICULTURE
MISSOURI STATE FAIR**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri State Fair TOTAL	\$ 4,113,068	\$ 5,241,351	\$ 4,741,351
PERSONAL SERVICE			
Other Funds	1,547,131	1,891,499	1,891,499
EXPENSE AND EQUIPMENT			
General Revenue Fund	0	500,000	0
Other Funds	2,528,655	2,774,852	2,774,852
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	37,282	75,000	75,000
TOTAL			
General Revenue Funds	0	500,000	0
Other Funds	4,113,068	4,741,351	4,741,351
Total Full-time Equivalent Employees	54.01	59.38	59.38
Other Funds	54.01	59.38	59.38

The Missouri State Fair is held annually in August on the state fairgrounds in Sedalia. The fair provides a showcase for livestock, agricultural products, commercial exhibits, and other displays. In addition, the fair offers a variety of youth programs, entertainment, and educational events. The fairgrounds are used during the rest of the year for exhibits, sales, meetings, competitions, and entertainment events.

Fiscal Year 2018 Governor's Recommendations

- (\$500,000) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF AGRICULTURE
STATE MILK BOARD**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
State Milk Board TOTAL	\$ 1,066,885	\$ 1,509,869	\$ 1,509,869
PERSONAL SERVICE			
General Revenue Fund	100,755	105,949	105,949
Other Funds	279,013	450,087	450,087
EXPENSE AND EQUIPMENT			
General Revenue Fund	826	852	852
Other Funds	125,633	241,661	241,661
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	560,658	711,320	711,320
TOTAL			
General Revenue Fund	101,581	106,801	106,801
Other Funds	965,304	1,403,068	1,403,068
Total Full-time Equivalent Employees	8.16	11.93	9.93
General Revenue Fund	2.24	2.13	2.13
Other Funds	5.92	9.80	7.80

The State Milk Board inspects, samples, and tests milk and milk products ensuring that they are wholesome and safe for consumption. The board operates both a Grade A Milk Inspection Program and a Manufacturing Grade Milk Inspection Program to ensure milk quality. An inspection fee is assessed and deposited in the State Milk Inspection Fee Fund to cover all costs of the Grade A Milk Inspection Program. The Manufacturing Grade Milk Inspection Program ensures sanitation, safety and quality standards for milk used only for manufacturing dairy products (e.g. cheese and butter). Approximately one-half of all Grade A milk is consumed as fluid milk with the remainder used for manufacturing other dairy products.

Fiscal Year 2018 Governor's Recommendations

- (Two) staff core reduction from the Fiscal Year 2017 appropriation level.

DEPARTMENT OF NATURAL RESOURCES

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Department Operations	\$ 4,696,767	\$ 5,630,877	\$ 5,633,591	\$ 5,630,877
Environmental Programs	297,872,066	479,550,999	479,878,704	479,803,762
Missouri Geological Survey	4,961,675	14,865,034	14,854,529	13,624,761
Missouri State Parks	35,431,679	44,225,385	43,809,889	43,982,835
Historic Preservation	1,862,806	4,352,644	4,354,947	4,142,644
Agency-Wide Implementation	28,088,345	33,332,762	32,350,722	32,346,146
Environmental Improvement and Energy Resources Authority	0	1	1	1
DEPARTMENTAL TOTAL	\$ 372,913,338	\$ 581,957,702	\$ 580,882,383	\$ 579,531,026
General Revenue Fund	10,619,900	12,366,059	12,342,719	10,896,689
Federal Funds	29,120,995	50,563,921	48,058,275	48,023,808
Other Funds	333,172,443	519,027,722	520,481,389	520,610,529

Total Full-time Equivalent Employees	1,614.29	1,702.12	1,702.12	1,693.12
General Revenue Fund	132.57	133.45	133.45	133.45
Federal Funds	344.09	379.36	344.29	341.57
Other Funds	1,137.63	1,189.31	1,224.38	1,218.10

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$579.5 million for the Department of Natural Resources. The department protects Missouri's air, land, and water; preserves Missouri's unique natural and historic places; and provides recreational and learning opportunities. The core functions provided by the Department of Natural Resources include:

- Managing Missouri's state parks and cultural and historical resources.
- Protecting Missouri's water resources by enforcing state and federal environmental laws.
- Overseeing environmental programs that improve air quality and safely manage hazardous and solid waste.
- Helping landowners conserve fertile topsoil.
- Investigating the state's geology and water resources to determine the character and availability of the state's natural resources.
- Providing centralized assistance on environmental regulation for farmers, businesses, industries, and local governments.

**DEPARTMENT OF NATURAL RESOURCES
DEPARTMENT OPERATIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Department Operations TOTAL	\$ 4,696,767	\$ 5,630,877	\$ 5,630,877
PERSONAL SERVICE			
General Revenue Fund	190,188	199,992	199,992
Federal Funds	1,265,028	1,427,217	507,217
Other Funds	2,347,976	2,414,523	3,334,523
EXPENSE AND EQUIPMENT			
General Revenue Fund	106,200	109,485	109,485
Federal Funds	79,259	413,142	313,142
Other Funds	708,116	1,066,518	1,166,518
TOTAL			
General Revenue Fund	296,388	309,477	309,477
Federal Funds	1,344,287	1,840,359	820,359
Other Funds	3,056,092	3,481,041	4,501,041
Total Full-time Equivalent Employees	77.22	85.19	83.19
General Revenue Fund	3.82	9.50	9.50
Federal Funds	25.34	29.10	10.10
Other Funds	48.06	46.59	63.59

Department Operations is responsible for developing statewide environmental and natural resource policies. Under its leadership, the department works to protect water, air, land, recreational, and cultural resources. Department Operations staff represent Missouri before several regional and national organizations and agencies, including the U.S. Environmental Protection Agency and a regional river basin association. Department Operations partners with the Environmental Improvement and Energy Resources Authority and Petroleum Storage Tank Insurance Fund Board to achieve shared objectives. Responsible for the management of all department organizational units, Department Operations implements policies to provide direction, and to improve efficiencies and coordination. Department Operations provides the department legal counsel as well as administrative support, including budget development, financial resource allocations, internal auditing, accounting, human resources management, procurement, grants management, and other general services. Also included in Department Operations, communications staff convey the department's commitment to Missouri's resources and ways the public can protect and enjoy those resources.

Fiscal Year 2018 Governor's Recommendations

- (Two) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROGRAMS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Environmental Quality	\$ 37,397,888	\$ 45,362,737	\$ 45,252,737
Water Resources	3,277,841	0	0
Soil and Water Conservation	46,023,214	58,997,972	58,997,971
Environmental Financial Support	211,173,123	375,190,290	375,553,054
TOTAL	\$ 297,872,066	\$ 479,550,999	\$ 479,803,762
PERSONAL SERVICE			
General Revenue Fund	4,935,551	3,761,760	3,761,760
Federal Funds	13,148,130	13,617,305	12,813,915
Other Funds	16,323,611	19,235,592	20,038,982
EXPENSE AND EQUIPMENT			
General Revenue Fund	2,235,465	1,461,035	685,950
Federal Funds	3,482,307	7,508,058	7,225,858
Other Funds	6,218,054	14,911,372	15,479,250
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	961,176	962,685	2,075,449
Federal Funds	5,404,723	15,735,916	15,735,916
Other Funds	245,163,049	402,357,276	401,986,682
TOTAL			
General Revenue Fund	8,132,192	6,185,480	6,523,159
Federal Funds	22,035,160	36,861,279	35,775,689
Other Funds	267,704,714	436,504,240	437,504,914
Total Full-time Equivalent Employees	772.16	801.10	796.10
General Revenue Fund	111.29	80.67	80.67
Federal Funds	293.29	297.71	280.92
Other Funds	367.58	422.72	434.51

ENVIRONMENTAL QUALITY

Water Protection Program – The Water Protection Program (WPP) includes three functional areas of responsibility: water pollution control, public drinking water, and financial assistance. The program protects the quality of Missouri's groundwater, streams, and lakes, safeguarding these vital resources, enhancing agricultural production, forestry, fisheries, water-intensive manufacturing, water recreation, tourism, hunting, and fishing and ensuring that water is safe for human and animal consumption. The WPP ensures that all public drinking water systems provide clean and healthy drinking water for Missouri's citizens by ensuring that public water system construction and operation comply with the requirements of the federal Safe Drinking Water Act. The program also trains and certifies operators at Missouri's water supply and wastewater treatment plants. The program's Financial Assistance Center administers the federal Clean Water and Drinking Water State Revolving Fund programs that provide low-interest loans and grants to Missouri communities for the construction of new, and the improvement of existing drinking water supply, wastewater treatment, and stormwater management systems.

Air Pollution Control Program – The Air Pollution Control Program (APCP) staff support the Air Conservation Commission, which develops policies to maintain and enhance the state's air quality for the protection of the public's health. Operating under the Clean Air Act's State Implementation Plans and Rules, the APCP reviews facility construction and operating permits to help ensure ambient air quality. Working with the department's regional office staff, the APCP identifies facilities that are not in compliance prior to pursuing any enforcement action. Collecting air quality and emission inventory data, the APCP provides benchmark data for Missouri air quality monitoring and planning. Through the state's vehicle emission inspection program, the APCP helps ensure that pollutant levels in the St. Louis area improve and meet federal health-based air standards. Staff also coordinate air pollution control activities with other programs in the division.

DEPARTMENT OF NATURAL RESOURCES ENVIRONMENTAL PROGRAMS

Hazardous Waste Program – The Hazardous Waste Program (HWP) provides technical assistance and ensures compliance with state and federal law regulating hazardous waste practices from the point of generation through transportation and final disposal to ensure the safe and legal handling of such materials. The HWP is responsible for permitting and inspecting facilities that treat, store, or dispose of hazardous waste. Together with these functions, the registration and reporting requirements for hazardous waste generators enable the program to identify the amount and types of waste generated, stored, transported off-site, and treated or otherwise disposed. The HWP also has several regulatory programs that oversee the cleanup of sites contaminated with hazardous substances. The cleanup at these sites are addressed through assessments, site investigations, feasibility studies, and remedial actions. The HWP registers and regulates petroleum underground storage tanks; provides general and technical information concerning the installation, use, and closure of such systems; encourages compliance with underground storage tank law, regulations, and performance standards; and oversees corrective actions taken in response to leaks and other releases. In addition, the program provides oversight services for those who wish to voluntarily cleanup contaminated properties, reviving them for productive use. To ensure safe and productive reuse of properties for future generations, the HWP implements long-term stewardship measures for remedial properties.

Solid Waste Management Program – The Solid Waste Management Program ensures solid waste facilities (e.g. landfills, transfer stations including infectious waste and material recovery facilities, and scrap tire facilities) are designed and operated in a manner protective of neighbors and property through permitting, inspecting, and technical assistance activities. The program encourages management of waste materials through improved processing, reduced generation, beneficial reuse, recycling, energy recovery, and proper disposal.

Regional Offices – Regional Office activities support the implementation of the department's environmental programs throughout Missouri. Staff perform field inspections, provide compliance and technical assistance to regulated entities, respond to environmental emergencies for non-hazardous substances (e.g., fishkills), issue permits, investigate reports of environmental concerns from the public, and provide front-line troubleshooting, problem solving, and regulatory education and assistance on environmental issues.

Environmental Services Program – The Environmental Services Program supports department programs by providing accurate scientific data for their work. Staff perform field work, conduct monitoring, collect samples, and provide laboratory testing for environmental pollutants. The Environmental Emergency Response Section serves as the department's front line of defense to significant and imminent environmental emergencies and maintains a 24-hour hotline.

Fiscal Year 2018 Governor's Recommendations

- (\$110,000) core reduction for one-time expenditures, including (\$25,085) general revenue.
- (One) staff core reduction from the Fiscal Year 2017 appropriation level.

SOIL AND WATER CONSERVATION

The Soil and Water Conservation Program implements the policies of the Soil and Water Districts Commission to ensure the long-term productivity of Missouri's soil and protection of water resources. Program staff provide guidance to Missouri's local soil and water conservation districts and administer conservation programs funded by one-half of the constitutionally authorized one-tenth of one percent dedicated parks, soils and water sales tax. Soil and water sales tax funded programs include: (1) cost share assistance for agricultural landowners to implement approved soil and water conservation practices; (2) grants to local district boards for operational expenses; (3) water quality monitoring of conservation practices; and (4) grants for research on soil and water conservation issues.

Fiscal Year 2018 Governor's Recommendations

- (\$1) Soil and Water Sales Tax Fund core reduction for one-time expenditures.
- (Four) staff core reduction from the Fiscal Year 2017 appropriation level.

ENVIRONMENTAL FINANCIAL SUPPORT

The department administers a variety of funds for local governments and others to control air pollution, assess and remediate contaminated sites, collect and manage pesticide waste, reduce and reuse solid waste, monitor and test drinking water supplies, and construct or improve water and wastewater facilities.

Fiscal Year 2018 Governor's Recommendations

- \$1,112,764 to pay for the state's obligation for the Superfund cleanup of contaminated sites.
- (\$750,000) core reduction for one-time expenditures.

**DEPARTMENT OF NATURAL RESOURCES
MISSOURI GEOLOGICAL SURVEY**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Geological Survey TOTAL	\$ 4,961,675	\$ 14,865,034	\$ 13,624,761
PERSONAL SERVICE			
General Revenue Fund	808,589	2,295,952	2,295,952
Federal Funds	620,696	1,796,541	1,796,541
Other Funds	863,872	1,606,937	1,606,937
EXPENSE AND EQUIPMENT			
General Revenue Fund	216,582	1,793,052	571,003
Federal Funds	1,853,872	4,504,884	4,504,884
Other Funds	130,315	2,380,568	2,362,344
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	467,749	477,098	477,098
Federal Funds	0	10,001	10,001
Other Funds	0	1	1
TOTAL			
General Revenue Fund	1,492,920	4,566,102	3,344,053
Federal Funds	2,474,568	6,311,426	6,311,426
Other Funds	994,187	3,987,506	3,969,282
Total Full-time Equivalent Employees	52.86	119.17	117.17
General Revenue Fund	17.46	43.28	43.28
Federal Funds	14.15	37.37	35.37
Other Funds	21.25	38.52	38.52

Headquartered in Rolla, Missouri, the Missouri Geological Survey (MGS) includes the Geological Survey Program, Land Reclamation Program, and Water Resources Center. The Geological Survey Program investigates the state's geology, providing geologic and hydrologic information and expertise to aid economic and environmental decision-making regarding site remediation, contaminant migration, subsurface investigations, and geologic hazards. Staff oversee the proper construction of all wells, including water, oil, gas, exploration, heat pumps, and monitoring. The division also determines the character and availability of the state's energy and mineral resources. Division management represents the state through the Association of American State Geologists and the Central U.S. Earthquake Consortium.

The Land Reclamation Program provides technical support for the Missouri Mining Commission. The commission regulates the surface mining of coal and other mineral commodities (such as lead, barite, tar sands, clay, limestone, sand, and gravel). Staff regulatory duties include developing regulations, permitting, inspection, complaint investigation, bonding, and enforcement. Staff reclamation duties include human health and environmental hazard assessment, reclamation plan designs, contracting, budgeting, public relations, landowner education, construction oversight, and maintenance of reclaimed abandoned mine lands and bond forfeiture coal mine lands until responsibility release is approved by the commission.

To meet Missouri's comprehensive water needs, Water Resources' hydrologists, geologists, and engineers investigate and monitor surface water and groundwater resource characteristics, availability, and use. Program responsibilities include (1) operating a statewide groundwater monitoring network with real-time water quantity data; (2) collecting and analyzing surface-water flow data for reaction to flood and drought emergencies; (3) providing guidance, data, and technical expertise in the preservation and development of sustainable regional water supplies throughout Missouri; (4) administering the provisions of the Missouri Dam and Reservoir Safety Law through registration, construction permits, and inspections; and (5) defending the state's vital water interests in the Missouri River, the Mississippi River, and other interstate water resources, before federal and interstate water resource management authorities.

Fiscal Year 2018 Governor's Recommendations

- (\$1,222,049) and (two) staff core reduction from the Fiscal Year 2017 appropriation level.
- (\$18,224) Oil and Gas Resources Fund core reduction for one-time expenditures.

**DEPARTMENT OF NATURAL RESOURCES
MISSOURI STATE PARKS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri State Parks Operation TOTAL	\$ 35,431,679	\$ 44,225,385	\$ 43,982,835
PERSONAL SERVICE			
Federal Funds	89,806	177,681	177,681
Other Funds	21,666,133	22,620,427	22,739,317
EXPENSE AND EQUIPMENT			
Federal Funds	138,996	281,306	281,306
Other Funds	11,525,959	17,064,971	17,078,531
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Funds	0	375,000	0
Federal Funds	1,989,882	3,600,000	3,600,000
Other Funds	20,903	106,000	106,000
TOTAL			
General Revenue Funds	0	375,000	0
Federal Funds	2,218,684	4,058,987	4,058,987
Other Funds	33,212,995	39,791,398	39,923,848
Total Full-time Equivalent Employees	676.98	661.21	661.21
Federal Funds	2.05	5.07	5.07
Other Funds	674.93	656.14	656.14

Missouri's Division of State Parks manages the many recreational, cultural, and historical resources of the Missouri state parks system. The division also administers programs to promote outdoor recreation statewide.

Missouri's state parks system consists of 91 state parks and historic sites, as well as the Roger Pryor Pioneer Backcountry. The system is divided into five districts, with each of the district headquarters reporting to the Central Office in Jefferson City. Administrative, maintenance, and service personnel manage the lands and improvements, provide recreational and educational programs for visitors, and provide necessary law enforcement. Funding provided by one-half of the constitutionally authorized one-tenth of one percent parks, soils and water sales tax has been used for projects such as campground remodeling; the addition of shower houses and restrooms; paving of roads within campgrounds; restoration of landscapes; and personnel for maintenance, education, and site interpretation. The parks sales tax provides continued restoration and improvement of the state parks system and allows division staff to better serve the millions of people who visit parks and historic sites each year.

Central Office administration directs and coordinates the management of the state parks system. Responsibilities include personnel management, budget and policy development, and the evaluation of management procedures and performance. Central Office staff provide logistical support to the individual state parks, and operate the central sign shop, central warehouse, and aerial device unit. Staff also identify unique natural areas which may require protection; conduct special studies related to parks operations and development; and prepare site, architectural, and engineering plans and maps.

The division also administers grants that finance outdoor recreation projects.

Fiscal Year 2018 Governor's Recommendations

- \$335,790 Parks Sales Tax Fund for state park operations.
- (\$578,340) core reduction for one-time expenditures, including (\$375,000) general revenue.

**DEPARTMENT OF NATURAL RESOURCES
HISTORIC PRESERVATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Historic Preservation TOTAL	\$ 1,862,806	\$ 4,352,644	\$ 4,142,644
PERSONAL SERVICE			
Federal Funds	363,249	407,321	407,321
Other Funds	269,689	305,887	305,887
EXPENSE AND EQUIPMENT			
Federal Funds	35,527	90,026	90,026
Other Funds	23,725	42,167	42,167
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	698,400	930,000	720,000
Federal Funds	218,509	560,000	560,000
Other Funds	253,707	2,017,243	2,017,243
TOTAL			
General Revenue Fund	698,400	930,000	720,000
Federal Funds	617,285	1,057,347	1,057,347
Other Funds	547,121	2,365,297	2,365,297
Total Full-time Equivalent Employees	16.18	17.25	17.25
Federal Funds	9.26	10.11	10.11
Other Funds	6.92	7.14	7.14

The State Historic Preservation Office helps identify and preserve historic properties and cultural resources throughout the state, administers grants and loans to support preservation efforts, and provides technical assistance to taxpayers in qualifying for historic preservation tax credits.

Fiscal Year 2018 Governor's Recommendations

- (\$210,000) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF NATURAL RESOURCES
AGENCY-WIDE IMPLEMENTATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Department of Natural Resources Revolving Services Fund	\$ 2,619,421	\$ 2,921,745	\$ 2,921,745
Sales Tax Reimbursement to General Revenue	27,677	250,000	250,000
Petroleum Storage Tank Insurance Fund Board	1,297,535	2,222,904	2,222,904
Petroleum Storage Tank Insurance Fund Claims	16,523,546	20,000,000	20,000,000
Petroleum Related Activities	749,723	793,580	793,580
Environmental Restoration	5,930,594	6,157,917	6,157,917
DNR Integrated Data System	939,849	986,616	0
TOTAL	\$ 28,088,345	\$ 33,332,762	\$ 32,346,146
PERSONAL SERVICE			
Other Funds	806,415	852,776	852,776
EXPENSE AND EQUIPMENT			
Federal Funds	431,011	434,523	0
Other Funds	7,093,334	8,706,035	8,153,942
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	19,757,585	23,339,428	23,339,428
TOTAL			
Federal Funds	431,011	434,523	0
Other Funds	27,657,334	32,898,239	32,346,146
Total Full-time Equivalent Employees	18.89	18.20	18.20
Other Funds	18.89	18.20	18.20

A number of projects and administrative issues are multi-faceted and require resources and expertise from several divisions within the Department of Natural Resources. To effectively coordinate work on these issues, the department consolidated these operations agency wide.

The department conducts natural resource damage assessments where unpermitted releases have damaged natural resources. These assessments evaluate the extent of and method to mitigate the damage and how to compensate the public for the damage. The department works with responsible parties to either participate in the restoration or negotiate a monetary settlement, which is then used to restore the damaged resource or acquire equivalent resources.

Fiscal Year 2018 Governor's Recommendations

- (\$986,616) federal and other funds core reduction for one-time expenditures.

**DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL IMPROVEMENT AND ENERGY RESOURCES AUTHORITY**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Environmental Improvement and Energy Resources Authority TOTAL	\$ 0	\$ 1	\$ 1
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	0	1	1
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Environmental Improvement and Energy Resources Authority, under Chapter 260, RSMo, is an independent, self-supporting, quasi-governmental agency assigned to the Department of Natural Resources.

Due to its special independent status as "a body corporate and politic," the authority is able to issue tax-exempt bonds and use fees charged for issuance of its bonds and notes. The authority is empowered to conduct environmental and energy research and development activities; develop alternative methods of financing environmental and energy projects; and assist Missouri communities, organizations, and businesses in obtaining low-cost funds and other financial assistance for projects related to the authority's purpose. This appropriation allows authority employees to participate in the state employee retirement system.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF CONSERVATION

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Conservation Programs				
DEPARTMENTAL TOTAL	\$ 144,295,384	\$ 154,699,871	\$ 154,699,871	\$ 154,699,871
PERSONAL SERVICE	77,293,374	87,139,576	85,177,304	85,177,304
EXPENSE AND EQUIPMENT	57,895,916	59,468,778	60,614,550	60,614,550
PROGRAM SPECIFIC DISTRIBUTION	9,106,094	8,091,517	8,908,017	8,908,017
TOTAL				
Conservation Commission Fund	144,295,384	154,699,871	154,699,871	154,699,871
Total Full-time Equivalent Employees	1,647.28	1,812.81	1,812.81	1,812.81
Other Funds	1,647.28	1,812.81	1,812.81	1,812.81

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$154.7 million for the Department of Conservation to support its mission to protect and manage the fish and wildlife resources of Missouri. In 1976, Missouri voters endorsed a measure authorizing a one-eighth of one-cent sales tax to provide for conservation services. This dedicated funding source has helped foster abundant fish, wildlife, forestry, and water resources for generations of Missourians. The department will continue to serve the public responsibly, facilitate the public's involvement in resource management activities, and provide an opportunity for all citizens to use, enjoy, and learn about Missouri's natural treasures.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF ECONOMIC DEVELOPMENT

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Business and Community Services	\$ 94,924,451	\$ 148,326,641	\$ 152,878,955	\$ 132,556,569
Workforce Development	82,521,706	148,659,611	148,659,611	146,796,171
Tourism	20,812,737	25,972,943	25,972,943	20,972,943
Energy	10,344,986	24,460,445	46,460,445	23,061,245
Affordable Housing	3,412,034	5,375,214	5,375,214	5,375,214
Utility Regulation	13,476,426	17,086,928	17,086,928	17,086,928
Administrative Services	1,963,741	3,178,810	3,178,810	3,178,810
DEPARTMENTAL TOTAL	\$ 227,456,081	\$ 373,060,592	\$ 399,612,906	\$ 349,027,880
General Revenue Fund	76,991,368	100,283,375	106,835,789	76,298,793
Federal Funds	111,969,686	203,743,387	210,743,387	203,680,747
Other Funds	38,495,027	69,033,830	82,033,730	69,048,340
Total Full-time Equivalent Employees	682.49	895.25	895.25	865.48
General Revenue Fund	56.20	69.89	69.89	67.15
Federal Funds	349.56	523.81	523.81	502.28
Other Funds	276.73	301.55	301.55	296.05

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$349 million for the Department of Economic Development to develop new and expanded business opportunities to facilitate economic growth and provide job training and related services to Missourians. Core functions provided by the Department of Economic Development include:

- Facilitating the location, expansion, retention, and start-up of businesses to help create and retain high-quality employment opportunities for Missourians.
- Designing and administering job training and re-training programs to provide prospective employers with a qualified and productive workforce, and providing unemployed or displaced workers with new skills and opportunities.
- Administering tax credit programs designed to assist with business recruitment, workforce training, and other economic growth opportunities.
- Overseeing and regulating public utility companies to ensure Missourians receive reliable and safe services at reasonable rates.
- Helping facilitate the development of new housing and the redevelopment of existing housing.
- Advocating for the sound development of the travel and tourism industry in Missouri.
- Supporting arts and cultural activities for all Missourians.
- Supporting efforts that advance energy efficiency and the use of diverse energy resources that contribute to business retention and expansion and new economic opportunities.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
BUSINESS AND COMMUNITY SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Economic Research and Information Center	\$ 1,142,606	\$ 1,966,031	\$ 1,966,031
Marketing	3,731,351	5,266,454	5,266,454
Sales	1,270,478	1,401,523	1,401,523
Finance	913,345	969,702	969,702
Compliance	85,236	92,548	0
International Trade and Investment Offices	1,750,263	1,910,000	1,910,000
Missouri Technology Investment	17,821,741	22,910,100	5,000,000
Community Development Block Grant Program	35,783,223	63,036,002	61,128,550
State Small Business Credit Initiative	2,948,475	9,386,222	9,386,222
Community Redevelopment and Assistance	21,280,125	30,713,502	36,533,530
Arts and Cultural Development	8,197,608	10,674,557	8,994,557
TOTAL	\$ 94,924,451	\$ 148,326,641	\$ 132,556,569
PERSONAL SERVICE			
General Revenue Fund	2,405,075	2,719,196	2,743,386
Federal Funds	1,790,081	2,940,651	2,940,651
Other Funds	0	52,535	52,535
EXPENSE AND EQUIPMENT			
General Revenue Fund	2,890,429	3,330,490	1,581,973
Federal Funds	217,099	1,675,404	1,625,404
Other Funds	2,311,762	3,134,675	4,798,516
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	41,659,299	57,931,897	43,886,252
Federal Funds	40,069,438	72,371,516	72,421,516
Other Funds	3,581,268	4,170,277	2,506,336
TOTAL			
General Revenue Fund	46,954,803	63,981,583	48,211,611
Federal Funds	42,076,618	76,987,571	76,987,571
Other Funds	5,893,030	7,357,487	7,357,387
Total Full-time Equivalent Employees	98.37	133.22	116.45
General Revenue Fund	50.76	59.89	57.89
Federal Funds	41.73	61.93	47.16
Other Funds	5.88	11.40	11.40

The Business and Community Services Division consists of the Missouri Economic Research and Information Center, and the Marketing, Sales, and Finance Teams. The Teams also support international export expansion. The Missouri Community Service Commission and the Missouri Technology Corporation are funded through the division's budget. The division partners with the professional economic development community to facilitate the expansion, relocation, and start-up of businesses in the state. The division also partners with local governments, non-profits, community organizations, and private citizens to help develop and grow Missouri's communities.

DEPARTMENT OF ECONOMIC DEVELOPMENT BUSINESS AND COMMUNITY SERVICES

MISSOURI ECONOMIC RESEARCH AND INFORMATION CENTER

The responsibilities of the Missouri Economic Research and Information Center (MERIC) include gathering data, conducting applied research, performing innovative analysis, and reporting to policymakers and the public. Staff researches and analyzes labor market trends, employment and unemployment figures, new business start-ups, wages, and the state's targeted industries and economic development initiatives. Staff at MERIC also work in cooperation with the U.S. Department of Labor to conduct research and produce reports on economic conditions and the labor market.

Fiscal Year 2018 Governor's Recommendations

- (Seven) staff core reduction from the Fiscal Year 2017 appropriation level.

MARKETING

The Marketing Team is responsible for promoting Missouri in regional, national, and international marketplaces in order to attract capital investment. The Marketing Team supports the Business and Community Services Division by providing all print advertising, publishing, videography, and other media production services.

Fiscal Year 2018 Governor's Recommendations

- \$1,000,000 Economic Development Advancement Fund for marketing expenses.
- (\$1,000,000) core reduction from the Fiscal Year 2017 appropriation level.
- (Two) staff core reduction from the Fiscal Year 2017 appropriation level.

SALES

The Sales Team is responsible for promoting Missouri communities, infrastructure, and the state's well-trained, dedicated workforce. With an emphasis on creating additional high quality jobs for Missourians, members of the Sales Team work in the field to gain in-depth knowledge of resources and needs in specific regions and have continuous contact with communities and businesses within that region.

Fiscal Year 2018 Governor's Recommendations

- (One) staff core reduction from the Fiscal Year 2017 appropriation level.

FINANCE

The Finance Team is responsible for evaluating community projects for state financial assistance and packaging incentive proposals for companies interested in locating or expanding in Missouri. This team also manages financial tools offered by the department and processes large volumes of financial program applications including those for tax credits, loans, and grants.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

COMPLIANCE

The Compliance Team administers the State of Missouri Community Development Block Grant Program for small municipalities.

Fiscal Year 2018 Governor's Recommendations

- (\$92,548) and (2.01) staff reallocated to the Community Development Block Grant Program to monitor grants.

DEPARTMENT OF ECONOMIC DEVELOPMENT BUSINESS AND COMMUNITY SERVICES

INTERNATIONAL TRADE AND INVESTMENT OFFICES

The purpose of Missouri's International Trade and Investment Offices, located in the United Kingdom, Germany, Canada, Mexico, Israel, Brazil, India, China, Japan, Taiwan, Singapore, Hong Kong, the United Arab Emirates, and South Korea, is to increase the number of Missouri companies exporting and increase the volume of Missouri exports to international markets. Each office provides trade counseling and technical advice to Missouri interests regarding possible market entry strategies. The International Trade and Investment Offices also provide technical information about Department of Economic Development incentive programs and client solutions, which includes preparing comprehensive investment packages on behalf of the state and its partners.

Fiscal Year 2018 Governor's Recommendations

- \$1,000,000 Economic Development Advancement Fund for International Trade and Investment Offices' expenses.
- (\$1,000,000) core reduction from the Fiscal Year 2017 appropriation level.

MISSOURI TECHNOLOGY INVESTMENT

The Missouri Technology Corporation (MTC) is a public-private partnership created to promote entrepreneurship and foster the growth of new and emerging high-tech companies. Corporation staff focuses on 21st century bioscience industries that build on Missouri's rich history in agriculture. Staff administers the Missouri Technology Investment Fund in support of the following programs:

Innovation Centers – The innovation centers, located in ten communities throughout the state, provide specialized entrepreneurial and small business support services (and often physical incubator space) to transform new ideas and scientific discoveries into Missouri-based businesses that put Missourians to work. The centers often serve as the hub of entrepreneurial activity in their local communities.

Manufacturing Extension Partnership – The Manufacturing Extension Partnership (MEP) is a public-private partnership which includes the U.S. Department of Commerce's National Institute of Standards and Technology and Missouri Enterprise. The MEP assists small- and medium-sized manufacturers throughout the state, including innovation center clients that require manufacturing expertise, by bringing the benefits of new technology to bear on traditional industries. The MEP also helps Missouri manufacturers increase productivity, achieve growth objectives, and obtain necessary quality certifications for exporting Missouri-made products.

Fiscal Year 2018 Governor's Recommendations

- (\$17,910,100) core reduction from the Fiscal Year 2017 appropriation level, including (\$17,910,000) general revenue.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant (CDBG) program is a formula block grant provided to the state of Missouri, 70 percent of which is allocated directly to entitlement cities and 30 percent of which is allocated for non-entitlement areas in the state. DED administers the 30 percent non-entitlement portion of the program by providing grants for community development activities. These activities must benefit at least 51 percent low and moderate income persons, eliminate slum and blight, or meet urgent threats to health and safety. Typical projects include infrastructure expansion and improvements, downtown revitalization, housing rehabilitation, Americans with Disabilities Act accessibility improvements, and community facility projects.

Fiscal Year 2018 Governor's Recommendations

- \$92,548 and 2.01 staff reallocated from the Compliance Section to monitor grants.
- (\$2,000,000) Missouri Humanities Council Trust Fund core reduction from the Fiscal Year 2017 appropriation level.
- (6.77) staff core reduction from the Fiscal Year 2017 appropriation level.

DEPARTMENT OF ECONOMIC DEVELOPMENT BUSINESS AND COMMUNITY SERVICES

STATE SMALL BUSINESS CREDIT INITIATIVE

The State Small Business Credit Initiative (SSBCI) is a federal initiative that provides funds to states in order to increase the amount of private capital available to small businesses. The SSBCI program in Missouri assists small businesses in accessing credit and venture capital via two programs. The Grow Missouri Loan Participation Fund supports the formation and growth of businesses in the industrial, commercial, agricultural, and recreational sectors. The Missouri Innovation, Development, and Entrepreneurial Advancement (IDEA) Fund provides seed and venture capital to promote the formation and growth of businesses that engage in the transfer of science and technology into job creation.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

COMMUNITY REDEVELOPMENT AND ASSISTANCE

Community Redevelopment and Assistance consists of the Missouri Community Service Commission, Missouri Small Business Regulatory Fairness Board, various military assistance activities, Missouri Development Finance Board, and Missouri Main Street Connection. These programs promote volunteerism and community services, monitor the impact of state regulations on small business, design and implement measures to retain and protect military posts or bases in Missouri, and administer a range of financing programs through revenue bonds, notes, and tax credits.

Fiscal Year 2018 Governor's Recommendations

- \$6,330,490 for current tax increment financing projects.
- \$221,924 for current tax increment financing redevelopment projects (MODESA).
- (\$732,386) core reduction from the Fiscal Year 2017 appropriation level.

ARTS AND CULTURAL DEVELOPMENT

Missouri Arts Council – The Missouri Arts Council oversees the distribution of state and federal funds in support of the arts. Funds are distributed statewide on a matching-grant basis to Missouri nonprofit organizations through a competitive process with specific guidelines, evaluation criteria, and a citizen advisory panel review. Grants are provided in a wide range of specific arts discipline and program areas. Council staff provides assistance and expertise in arts and nonprofit management, community development, grant writing, fundraising, marketing, arts education, board development, and program development.

Missouri Humanities Council – The Missouri Humanities Council is the state affiliate of the National Endowment for the Humanities. The council's mission is to help citizens of Missouri explore subjects including history, literature, languages, law, philosophy, and ethics, and consider the ideas that shape and facilitate participatory democracy. Council programs help communities understand and share their unique history, and to utilize those stories as a resource that can generate new economic development opportunities. Programs also help local institutions develop the capacity to engage the public in lifelong learning activities.

Public Television and Public Radio – Funds are distributed to Missouri public television and radio stations for instructional, local programming, and operating assistance.

Fiscal Year 2018 Governor's Recommendations

- (\$1,680,000) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
WORKFORCE DEVELOPMENT**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Workforce Development Administration	\$ 11,925,261	\$ 21,413,403	\$ 21,249,963
Workforce Programs	52,746,840	94,859,293	94,159,293
Missouri Works Job Development Fund	8,541,507	6,315,666	5,315,666
Missouri Women's Council	39,538	71,249	71,249
Missouri Works Community College Job Retention Training Program	6,452,186	10,000,000	10,000,000
Missouri Works Community College New Jobs Training Program	2,816,374	16,000,000	16,000,000
TOTAL	\$ 82,521,706	\$ 148,659,611	\$ 146,796,171
PERSONAL SERVICE			
Federal Funds	10,240,083	16,953,358	16,789,918
EXPENSE AND EQUIPMENT			
Federal Funds	1,551,300	5,986,022	5,986,022
Other Funds	1,452,968	2,000,000	2,000,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	8,831,165	7,315,666	5,615,666
Federal Funds	51,177,630	90,404,565	90,404,565
Other Funds	9,268,560	26,000,000	26,000,000
TOTAL			
General Revenue Fund	8,831,165	7,315,666	5,615,666
Federal Funds	62,969,013	113,343,945	113,180,505
Other Funds	10,721,528	28,000,000	28,000,000
Total Full-time Equivalent Employees	280.01	427.72	422.72
Federal Funds	274.44	419.72	414.72
Other Funds	5.57	8.00	8.00

The Division of Workforce Development provides vital reemployment services, including skills training, career connections for job seekers, and human resources assistance for businesses. These services are provided through a collaborative system that includes the Missouri Department of Labor and Industrial Relations - Division of Employment Security, Missouri Career Centers in over 30 locations, 14 local Workforce Development Boards, and 12 community colleges and other local educational agencies across the state. The workforce system champions ongoing advancements to equip Missouri's workforce with the training and skills needed by employers to compete in a 21st century economy.

WORKFORCE DEVELOPMENT ADMINISTRATION

Missouri's workforce system was authorized and is funded by two pieces of federal job training legislation: the Workforce Innovation and Opportunity Act and the Wagner-Peyser Act. The division administers federal job training funds in accordance with federal and state policy.

Fiscal Year 2018 Governor's Recommendations

- (\$163,440) Job Development and Training Fund and (five) staff core reduction from the Fiscal Year 2017 appropriation level.

DEPARTMENT OF ECONOMIC DEVELOPMENT WORKFORCE DEVELOPMENT

WORKFORCE PROGRAMS

Missouri's Career Center system provides training and employment services through the coordinated integration of several workforce development programs: Workforce Innovation and Opportunity Act, Wagner-Peyser/Employment Services, Trade Adjustment Assistance, Rapid Response, and Missouri Employment and Training Program. While individuals must meet eligibility requirements to receive certain services via these programs, the majority of services—including valuable skills assessments and career counseling—are available to all Missourians at no cost. Services available at Career Centers include referral to job openings, job readiness skill training, referral to classroom or employer training, and payment of support services such as transportation.

Fiscal Year 2018 Governor's Recommendations

- (\$700,000) core reduction from the Fiscal Year 2017 appropriation level.

MISSOURI WORKS JOB DEVELOPMENT FUND

The Missouri Works Job Development Fund (MWJDF) helps new and expanding businesses by providing and covering the costs of training. In addition, MWJDF provides assistance to existing businesses for the purpose of upgrading workers' skills. The Missouri Works Training Program assists small, medium, and large companies that are either creating jobs or making significant capital investment.

Fiscal Year 2018 Governor's Recommendations

- (\$1,000,000) core reduction from the Fiscal Year 2017 appropriation level.

MISSOURI WOMEN'S COUNCIL

The Missouri Women's Council works closely with other agencies and community-based organizations to connect Missouri women in business and women in the workforce to information and resources. The council prepares a comprehensive resource guide for its constituents and serves as a resource and referral center to help encourage, educate, and support Missouri women as they pursue their economic goals. The Missouri Women's Council portal is designed to connect women to a network of accessible, high quality advisory services, and information ranging from employment and training to information on starting or growing a business. The council also partners with other state and federal organizations in offering programs and events that benefit women entrepreneurs and women in the workforce.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MISSOURI WORKS COMMUNITY COLLEGE JOB RETENTION TRAINING PROGRAM

The Missouri Works Community College Job Retention Training Program provides an incentive for the retention of existing jobs by providing education and training to employees of Missouri industries. The program is operated locally by community colleges and used in large job retention situations.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MISSOURI WORKS COMMUNITY COLLEGE NEW JOBS TRAINING PROGRAM

The Missouri Works Community College New Jobs Training Program provides an incentive for the creation of new jobs by providing education and training of workers for new or expanding industries. The program is operated locally by community colleges and is used to attract a large number of new jobs.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
TOURISM**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Tourism Commission			
TOTAL	\$ 20,812,737	\$ 25,972,943	\$ 20,972,943
EXPENSE AND EQUIPMENT			
Other Funds	7,747	24,500	24,500
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	20,804,990	25,948,443	20,948,443
TOTAL			
General Revenue Fund	20,804,990	25,948,443	20,948,443
Other Funds	7,747	24,500	24,500
Total Full-time Equivalent Employees	35.99	41.00	39.00
Other Funds	35.99	41.00	39.00

The Division of Tourism is responsible for promoting Missouri as a premier destination for domestic and international travelers. The division implements strategic investments in travel promotion with integrated marketing strategies that provide economic benefits for Missouri. Travel promotion programs spur interest in visiting destinations among potential travelers. Stronger travel interest generates more visitors. The division operates nine official welcome centers and works with community-based affiliate welcome centers that meet inspection guidelines. In addition to these duties, the Division of Tourism is responsible for the Missouri Film Office and the support of the Missouri Film Commission. The Commission and Film Office work to establish a reliable and consistent conduit to Missouri for the creative media industry to stimulate new production work across the state.

Fiscal Year 2018 Governor's Recommendations

- (\$5,000,000) core reduction from the Fiscal Year 2017 appropriation level.
- (Two) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
ENERGY**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Energy Operations	\$ 2,115,825	\$ 2,783,445	\$ 2,783,445
Division of Energy Services	8,229,161	19,127,000	19,227,800
Wood Energy/Alternative Fuel Infrastructure Tax Credits	0	2,550,000	1,050,000
TOTAL	\$ 10,344,986	\$ 24,460,445	\$ 23,061,245
PERSONAL SERVICE			
Federal Funds	992,840	1,251,318	1,251,318
Other Funds	667,859	786,198	786,198
EXPENSE AND EQUIPMENT			
General Revenue Fund	14,610	14,610	0
Federal Funds	778,630	630,500	731,300
Other Funds	238,871	2,289,520	2,304,130
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	2,550,000	1,050,000
Federal Funds	4,364,260	9,978,799	9,978,799
Other Funds	3,287,916	6,959,500	6,959,500
TOTAL			
General Revenue Fund	14,610	2,564,610	1,050,000
Federal Funds	6,135,730	11,860,617	11,961,417
Other Funds	4,194,646	10,035,218	10,049,828
Total Full-time Equivalent Employees	34.00	37.00	37.00
Federal Funds	20.75	23.05	23.05
Other Funds	13.25	13.95	13.95

The Division of Energy assists, educates, and encourages Missourians to advance the efficient use of diverse energy resources to drive economic growth, provide for a healthier environment, and achieve greater energy security for future generations.

Fiscal Year 2018 Governor's Recommendations

- \$64,800 federal funds for advancing Energy Investment Partnerships.
- \$36,000 federal funds for furthering unified building energy ratings.
- \$14,610 Energy Set-aside Program Fund for operational expenses.
- (\$1,514,610) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
AFFORDABLE HOUSING**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Housing Trust	\$ 3,056,343	\$ 4,450,000	\$ 4,450,000
Manufactured Housing Program	355,691	925,214	925,214
TOTAL	\$ 3,412,034	\$ 5,375,214	\$ 5,375,214
PERSONAL SERVICE	257,128	358,748	358,748
EXPENSE AND EQUIPMENT	92,626	354,466	354,466
PROGRAM SPECIFIC DISTRIBUTION	3,062,280	4,662,000	4,662,000
TOTAL			
Other Funds	3,412,034	5,375,214	5,375,214
Total Full-time Equivalent Employees	6.64	8.00	8.00
Other Funds	6.64	8.00	8.00

MISSOURI HOUSING TRUST FUND

The Missouri Housing Development Commission administers the Missouri Housing Trust Fund, which provides grants to housing service providers to help meet the needs of very low income families and individuals. Funding is available for a variety of housing needs, such as homeless prevention, rehabilitation or construction of rental housing, rental assistance, and home repair. The Missouri Housing Trust Fund is funded through a \$3 recording fee authorized in Section 59.319, RSMo.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MANUFACTURED HOUSING PROGRAM

Under the jurisdiction of the Public Service Commission, the staff of the Manufactured Housing Program oversees the annual registration of home installers, dealers, and manufacturers of new manufactured homes and modular units. Program staff also enforces construction and safety standards, conducts code inspections, addresses consumer complaints, and enforces home set-up and tie-down requirements.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
UTILITY REGULATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Office of Public Counsel	\$ 1,002,127	\$ 1,165,424	\$ 1,165,424
Public Service Commission	12,474,299	15,921,504	15,921,504
TOTAL	\$ 13,476,426	\$ 17,086,928	\$ 17,086,928
 PERSONAL SERVICE			
Other Funds	10,875,353	11,789,049	11,789,049
EXPENSE AND EQUIPMENT			
Other Funds	2,601,073	5,297,879	5,297,879
TOTAL			
Other Funds	13,476,426	17,086,928	17,086,928
 Total Full-time Equivalent Employees	197.89	210.00	210.00
Other Funds	197.89	210.00	210.00

OFFICE OF PUBLIC COUNSEL

The Office of Public Counsel is the state's consumer advocate in matters of utility ratemaking and regulation. Attorneys and technical staff analyze utility rate cases and provide testimony and cross-examination in hearings held before the Public Service Commission. The Public Counsel also has the right to appeal Public Service Commission cases through the court system. Through the Ombudsman for Property Rights, the Public Counsel provides guidance to citizens regarding the condemnation process and procedures.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

PUBLIC SERVICE COMMISSION

The Public Service Commission (PSC) regulates the rates and practices of investor-owned natural gas, electric, steam, water, and sewer utilities. The commission has limited regulatory authority over investor-owned telephone companies. The PSC also administers safety standards for the rural electric cooperatives and municipal natural gas systems, maintains a registry of state video service providers, and registers Voice over Internet Protocol (VoIP) service providers. In addition, the PSC administers the Relay Missouri service, which gives hearing-impaired citizens access to the telephone network.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF ECONOMIC DEVELOPMENT
ADMINISTRATIVE SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administrative Services			
TOTAL	\$ 1,963,741	\$ 3,178,810	\$ 3,178,810
PERSONAL SERVICE			
General Revenue Fund	333,120	418,764	418,764
Federal Funds	716,931	1,128,786	1,128,786
Other Funds	699,024	807,310	807,310
EXPENSE AND EQUIPMENT			
General Revenue Fund	52,680	54,309	54,309
Federal Funds	71,394	422,468	422,468
Other Funds	90,592	347,172	347,172
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	0	1	1
TOTAL			
General Revenue Fund	385,800	473,073	473,073
Federal Funds	788,325	1,551,254	1,551,254
Other Funds	789,616	1,154,483	1,154,483
Total Full-time Equivalent Employees	29.59	38.31	32.31
General Revenue Fund	5.44	10.00	9.26
Federal Funds	12.64	19.11	17.35
Other Funds	11.51	9.20	5.70

The Administrative Services Division provides direction and guidance to the department. This division aligns the work of each of the other divisions through coordinated policy development, legislative planning, legal assistance, communications, and public information. The Administrative Services Division also provides centralized support in the areas of financial systems, personnel functions, budget, and general services.

Fiscal Year 2018 Governor's Recommendations

- (Six) staff core reduction from the Fiscal Year 2017 appropriation level.

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Administration and Insurance Operations	\$ 9,105,907	\$ 11,059,727	\$ 11,023,266	\$ 10,956,295
Market Conduct and Financial Examinations	3,534,125	4,171,289	4,170,533	4,217,557
Health Insurance Counseling	1,370,275	1,450,000	1,450,000	1,450,000
Division of Credit Unions	1,091,035	1,322,294	1,322,294	1,322,294
Division of Finance	7,948,440	9,047,370	9,047,370	9,047,370
Division of Professional Registration	12,024,834	14,809,861	16,809,861	16,884,861
DEPARTMENTAL TOTAL	\$ 35,074,616	\$ 41,860,541	\$ 43,823,324	\$ 43,878,377
Federal Funds	1,322,673	1,792,607	1,792,607	1,250,000
Other Funds	33,751,943	40,067,934	42,030,717	42,628,377
Total Full-time Equivalent Employees	539.18	597.33	597.33	582.33
Federal Funds	3.36	21.00	21.00	0.00
Other Funds	535.82	576.33	576.33	582.33

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$43.9 million for the Department of Insurance, Financial Institutions and Professional Registration. The department protects consumers through oversight of the insurance industry, financial institutions, and licensed professionals.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
ADMINISTRATION AND INSURANCE OPERATIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 168,747	\$ 183,754	\$ 183,754
Insurance Operations	8,937,160	10,875,973	10,772,541
TOTAL	\$ 9,105,907	\$ 11,059,727	\$ 10,956,295
PERSONAL SERVICE			
Federal Funds	145,655	478,096	0
Other Funds	7,639,929	8,451,890	8,874,662
EXPENSE AND EQUIPMENT			
Federal Funds	6,743	64,511	0
Other Funds	1,313,580	2,060,230	2,076,633
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	0	5,000	5,000
TOTAL			
Federal Funds	152,398	542,607	0
Other Funds	8,953,509	10,517,120	10,956,295
Total Full-time Equivalent Employees	149.78	196.78	181.38
Federal Funds	3.36	21.00	0.00
Other Funds	146.42	175.78	181.38

ADMINISTRATION

Certain administrative functions such as policy development, legislative coordination, communications (public information), research, and accounting are centralized to provide more efficient services. Staff provides these functions centrally with the costs allocated to the appropriate divisions within the department based on usage.

INSURANCE OPERATIONS

Insurance staff is responsible for overseeing the insurance industry's compliance with Missouri insurance laws and regulations, and protecting the interests of Missouri insurance-buying consumers. Specific duties include licensing insurance producers (agents, brokers, and agencies), investigating consumer complaints, collecting premium taxes paid by insurance companies, and providing information to over 32,500 consumers each year through a statewide toll-free hotline and the department's website.

Fiscal Year 2018 Governor's Recommendations

- \$287,540 Insurance Dedicated Fund and four staff to implement SB 865 (2016) for the review of proposed insurance rates.
- \$188,096 Insurance Dedicated Fund and 1.6 staff to implement SB 164 (2015) to incorporate the National Association of Insurance Commissioners (NAIC) valuation model.
- (\$542,607) federal funds and (21) staff core reduction from the Fiscal Year 2017 appropriation level.
- (\$36,461) Insurance Dedicated Fund core reduction for one-time expenditures.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
MARKET CONDUCT AND FINANCIAL EXAMINATIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Market Conduct and Financial Examinations TOTAL	\$ 3,534,125	\$ 4,171,289	\$ 4,217,557
PERSONAL SERVICE	3,287,066	3,403,590	3,446,590
EXPENSE AND EQUIPMENT	247,059	767,699	770,967
TOTAL			
Other Funds	3,534,125	4,171,289	4,217,557
Total Full-time Equivalent Employees	43.32	42.90	43.30
Other Funds	43.32	42.90	43.30

The department performs both financial and market conduct examinations. Financial examinations ensure that insurance companies have sufficient reserves to pay consumer claims. Market conduct examinations of insurance companies serve to verify that policyholders and beneficiaries receive the full benefits from the contracts by which they and the insurer have agreed.

Fiscal Year 2018 Governor's Recommendations

- \$47,024 Insurance Examiners Fund and .4 staff to implement SB 164 (2015) to incorporate the National Association of Insurance Commissioners (NAIC) valuation model.
- (\$756) Insurance Examiners Fund core reduction for one-time expenditures.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
HEALTH INSURANCE COUNSELING**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Health Insurance Counseling			
TOTAL	\$ 1,370,275	\$ 1,450,000	\$ 1,450,000
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	1,170,275	1,250,000	1,250,000
Other Funds	200,000	200,000	200,000
TOTAL			
Federal Funds	1,170,275	1,250,000	1,250,000
Other Funds	200,000	200,000	200,000
Total Full-time Equivalent Employees	0.00	0.00	0.00

The department sponsors the Missouri State Health Insurance Assistance Program, commonly known as CLAIM. Trained counselors provide free, unbiased advocacy, education, and assistance to people with Medicare and those who help them to make informed decisions about Medicare and related health insurance needs.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF CREDIT UNIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Credit Unions			
TOTAL	\$ 1,091,035	\$ 1,322,294	\$ 1,322,294
PERSONAL SERVICE	981,209	1,178,239	1,178,239
EXPENSE AND EQUIPMENT	109,826	144,055	144,055
TOTAL			
Other Funds	1,091,035	1,322,294	1,322,294
Total Full-time Equivalent Employees	13.99	15.50	15.50
Other Funds	13.99	15.50	15.50

The Division of Credit Unions is responsible for the examination, supervision, chartering, merger, and liquidation of Missouri's state-chartered credit unions. The division also responds to consumer complaints against credit union services or operations. Missouri's 110 credit unions have approximately 1.4 million members and assets exceeding \$12.5 billion. Missouri ranks eighth in the nation in the number of state-chartered credit unions.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF FINANCE**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Finance			
TOTAL	\$ 7,948,440	\$ 9,047,370	\$ 9,047,370
PERSONAL SERVICE	7,202,354	8,119,094	8,119,094
EXPENSE AND EQUIPMENT	738,786	927,276	927,276
PROGRAM SPECIFIC DISTRIBUTION	7,300	1,000	1,000
TOTAL			
Other Funds	7,948,440	9,047,370	9,047,370
Total Full-time Equivalent Employees	109.47	118.15	118.15
Other Funds	109.47	118.15	118.15

The Division of Finance is responsible for the incorporation and regulation of Missouri's 265 state-chartered banks, non-deposit trust companies, and savings and loan associations. The division also licenses and regulates consumer credit companies, credit services organizations, money order companies, and residential mortgage brokers. Primary objectives include ensuring the safety and soundness of these institutions and the monitoring of compliance with laws and regulations, thereby safeguarding the funds of depositors and maintaining public confidence in Missouri's financial system. Missouri ranks fifth in the nation in the number of state-chartered banks.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF PROFESSIONAL REGISTRATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 4,146,962	\$ 4,787,426	\$ 4,787,426
State Board of Accountancy	448,891	467,259	542,259
State Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects	496,740	699,996	699,996
State Board of Chiropractic Examiners	54,999	131,820	131,820
Missouri Dental Board	395,132	632,117	632,117
State Board of Embalmers and Funeral Directors	163,738	164,200	164,200
State Board of Registration for the Healing Arts	2,113,233	2,656,349	2,656,349
State Board of Nursing	1,531,392	1,845,989	3,845,989
State Board of Optometry	8,789	34,726	34,726
State Board of Pharmacy	1,440,959	1,763,217	1,763,217
State Board of Podiatric Medicine	13,244	13,734	13,734
Missouri Real Estate Commission	909,101	1,231,154	1,231,154
Missouri Veterinary Medical Board	35,464	107,975	107,975
State Board of Cosmetology and Barber Examiners	266,190	273,899	273,899
TOTAL	\$ 12,024,834	\$ 14,809,861	\$ 16,884,861
PERSONAL SERVICE	8,716,560	9,802,629	9,802,629
EXPENSE AND EQUIPMENT	3,307,544	4,987,232	5,062,232
PROGRAM SPECIFIC DISTRIBUTION	730	20,000	2,020,000
TOTAL			
Other Funds	12,024,834	14,809,861	16,884,861
Total Full-time Equivalent Employees	222.62	224.00	224.00
Other Funds	222.62	224.00	224.00

The Division of Professional Registration is responsible for supporting 40 professional licensing boards and commissions in licensing and regulating the activities of over 465,000 Missourians representing approximately 240 different trades and professions. The division serves and protects the public by providing an accessible, responsible, and accountable regulatory system to ensure that Missouri consumers benefit from competent practitioners. Each licensing entity licenses qualified professionals by ensuring that minimum requirements have been met. In addition, each entity must appropriately enforce standards through the inspection of facilities and the investigation of complaints.

Fiscal Year 2018 Governor's Recommendations

ADMINISTRATION

Continue funding at the current level.

STATE BOARD OF ACCOUNTANCY

- \$75,000 State Board of Accountancy Fund for increased administrative expenses.

STATE BOARD FOR ARCHITECTS, PROFESSIONAL ENGINEERS, LAND SURVEYORS AND LANDSCAPE ARCHITECTS

Continue funding at the current level.

**DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
DIVISION OF PROFESSIONAL REGISTRATION**

STATE BOARD OF CHIROPRACTIC EXAMINERS

Continue funding at the current level.

MISSOURI DENTAL BOARD

Continue funding at the current level.

STATE BOARD OF EMBALMERS AND FUNERAL DIRECTORS

Continue funding at the current level.

STATE BOARD OF REGISTRATION FOR THE HEALING ARTS

Continue funding at the current level.

STATE BOARD OF NURSING

- \$2,000,000 State Board of Nursing Fund from the Department of Higher Education for competitive grants to enhance and expand nursing education programs.

STATE BOARD OF OPTOMETRY

Continue funding at the current level.

STATE BOARD OF PHARMACY

Continue funding at the current level.

STATE BOARD OF PODIATRIC MEDICINE

Continue funding at the current level.

MISSOURI REAL ESTATE COMMISSION

Continue funding at the current level.

MISSOURI VETERINARY MEDICAL BOARD

Continue funding at the current level.

STATE BOARD OF COSMETOLOGY AND BARBER EXAMINERS

Continue funding at the current level.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Department Administration	\$ 9,345,890	\$ 13,453,344	\$ 13,453,344	\$ 13,453,344
Labor and Industrial Relations Commission	853,721	1,007,001	1,007,001	1,007,001
Division of Labor Standards	1,809,028	2,627,160	2,612,160	2,612,160
Division of Workers' Compensation	112,319,461	146,427,746	146,427,746	152,246,746
Division of Employment Security	31,393,680	51,133,725	51,133,725	51,433,941
State Board of Mediation	112,982	122,761	122,761	122,761
Missouri Commission on Human Rights	1,429,874	1,754,726	1,754,726	1,754,726
DEPARTMENTAL TOTAL	\$ 157,264,636	\$ 216,526,463 *	\$ 216,511,463	\$ 222,630,679
General Revenue Fund	1,839,266	2,384,477	2,384,477	2,384,477
Federal Funds	35,330,931	57,061,523	57,347,838	57,648,054
Martin Luther King, Jr. State Celebration				
Commission Fund	0	5,000	5,000	5,000
Tort Victims' Compensation Fund	13	1,004,836	1,004,836	1,004,836
Workers' Compensation Fund	10,922,741	13,305,392	13,305,392	19,124,392
Second Injury Fund	103,544,278	134,060,833	134,060,833	134,060,833
War on Terror Unemployment				
Compensation Fund	0	90,000	90,000	90,000
Child Labor Enforcement Fund	5,801	179,450	179,450	179,450
Workers Memorial Fund	0	250,000	250,000	250,000
Special Employment Security Fund	4,868,608	7,393,442	7,393,442	7,393,442
Unemployment Automation Fund	707,364	721,618	435,303	435,303
State Mine Inspection Fund	45,634	69,892	54,892	54,892
Total Full-time Equivalent Employees	747.07	822.96	822.96	827.96
General Revenue Fund	25.89	27.81	27.81	27.81
Federal Funds	547.27	602.31	609.99	614.99
Other Funds	173.91	192.84	185.16	185.16

* Does not include \$15,613 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Labor and Industrial Relations supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$222.6 million for the Department of Labor and Industrial Relations. The department provides services that promote economic security and safe and healthy workplaces, and protect wage earners and individuals against discrimination.

The core functions provided by the Department of Labor and Industrial Relations include:

- Processing and awarding payment of compensation to those who are unemployed or injured at work.
- Ensuring safe and healthy workplaces for Missouri employees through on-site inspections that identify hazards to be corrected in the workplace.
- Protecting wage earners and individuals against discrimination by improving workplace conditions and enforcing labor and anti-discrimination laws.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DEPARTMENT ADMINISTRATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Director and Staff	\$ 311,709	\$ 1,450,000	\$ 1,450,000
Administrative Services	9,034,181	12,003,344	12,003,344
TOTAL	\$ 9,345,890	\$ 13,453,344	\$ 13,453,344
EXPENSE AND EQUIPMENT			
Federal Funds	311,709	1,450,000	1,450,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	449,409	467,823	469,534
Federal Funds	6,580,015	9,293,185	9,221,789
Other Funds	2,004,757	2,242,336	2,312,021
TOTAL			
General Revenue Fund	449,409	467,823	469,534
Federal Funds	6,891,724	10,743,185	10,671,789
Other Funds	2,004,757	2,242,336	2,312,021
Total Full-time Equivalent Employees	45.42	49.90	49.90
General Revenue Fund	0.00	0.00	0.00
Federal Funds	45.42	49.90	49.90
Other Funds	0.00	0.00	0.00

The Director's Office provides leadership and supervision in the areas of policy, operation, and interagency coordination. Functions centralized within the Director's Office include: administrative services, financial management, human resources, legislative and public relations, research and analysis, and legal services. (Although spending authority is appropriated to Department Administration, for purposes of the Executive Budget, certain funds appear in other divisions of the department to more clearly reflect where dollars are spent.)

Fiscal Year 2018 Governor's Recommendations

- \$71,396 reallocated for realignment of the federal cost allocation plan, including \$1,711 general revenue.
- (\$71,396) federal funds reallocated for realignment of the federal cost allocation plan.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
LABOR AND INDUSTRIAL RELATIONS COMMISSION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Labor and Industrial Relations Commission			
TOTAL	\$ 853,721	\$ 1,007,001	\$ 1,007,001
PERSONAL SERVICE			
General Revenue Fund	9,073	11,086	9,476
Federal Funds	440,814	478,528	545,711
Other Funds	366,493	457,965	392,392
EXPENSE AND EQUIPMENT			
General Revenue Fund	576	695	594
Federal Funds	17,492	30,008	34,221
Other Funds	19,273	28,719	24,607
TOTAL			
General Revenue Fund	9,649	11,781	10,070
Federal Funds	458,306	508,536	579,932
Other Funds	385,766	486,684	416,999
Total Full-time Equivalent Employees	12.48	14.00	14.00
General Revenue Fund	0.23	0.41	0.41
Federal Funds	6.57	7.23	7.91
Other Funds	5.68	6.36	5.68

The three-member Labor and Industrial Relations Commission reviews appeals at the highest administrative level in workers' compensation, unemployment compensation, tort victims' compensation, and prevailing wage cases. The commission conducts hearings and renders written opinions, which are subject to review by the judiciary. The commission is also charged with the statutory authority to approve or disapprove all rules and regulations promulgated by the divisions within the department.

Fiscal Year 2018 Governor's Recommendations

- \$71,396 federal funds reallocated for realignment of the federal cost allocation plan.
- (\$71,396) reallocated for realignment of the federal cost allocation plan, including (\$1,711) general revenue.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF LABOR STANDARDS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 650,762	\$ 1,019,127	\$ 1,004,127
On-Site Safety and Health Program	898,427	1,169,327	1,169,327
Mine Safety and Health Training Program	259,839	438,706	438,706
TOTAL	\$ 1,809,028	\$ 2,627,160	\$ 2,612,160
PERSONAL SERVICE			
General Revenue Fund	552,967	678,621	678,621
Federal Funds	704,210	907,233	907,233
Other Funds	213,696	247,157	247,157
EXPENSE AND EQUIPMENT			
General Revenue Fund	46,360	58,494	58,494
Federal Funds	241,477	488,634	488,544
Other Funds	50,318	247,011	232,011
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	10	100
TOTAL			
General Revenue Fund	599,327	737,115	737,115
Federal Funds	945,687	1,395,877	1,395,877
Other Funds	264,014	494,168	479,168
Total Full-time Equivalent Employees	33.03	37.90	37.90
General Revenue Fund	12.80	14.40	14.40
Federal Funds	15.71	18.27	18.27
Other Funds	4.52	5.23	5.23

The Division of Labor Standards exists to assure the safety and health of Missouri workers. Staff conducts regular and special on-site inspections of businesses, industries, and commercial mines and caves. The division also provides free on-site safety and health consultations at the request of employers. To ensure compliance with statutory provisions governing wage rates for public works projects, the division surveys prevailing wage rates for laborers, mechanics, and other workers employed in the construction industry. The division also conducts on-site inspections to assure compliance with Missouri's Child Labor Law.

Fiscal Year 2018 Governor's Recommendations

- (\$15,000) State Mine Inspection Fund core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 8,775,183	\$ 11,366,913	\$ 17,185,913
Second Injury Fund Benefits	103,544,278	134,060,833	134,060,833
Tort Victims' Compensation Payments	0	1,000,000	1,000,000
TOTAL	\$ 112,319,461	\$ 146,427,746	\$ 152,246,746
PERSONAL SERVICE			
Other Funds	7,390,506	9,159,966	9,159,966
EXPENSE AND EQUIPMENT			
Other Funds	1,237,372	1,721,437	7,553,945
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	125,000	450,000	450,000
Other Funds	103,566,583	135,096,343	135,082,835
TOTAL			
General Revenue Fund	125,000	450,000	450,000
Other Funds	112,194,461	145,977,746	151,796,746
Total Full-time Equivalent Employees	131.45	152.25	152.25
Other Funds	131.45	152.25	152.25

ADMINISTRATION

The Division of Workers' Compensation processes all reports of job-related injuries and formal claims for compensation filed with the division under Missouri Workers' Compensation Law. The division also resolves disputes between an employee and employer/insurer through mediation and/or evidentiary hearings, which are conducted by the division's administrative law judges. The division administers the rehabilitation of seriously injured workers, resolves disputes concerning the reasonableness of medical fees and charges, reviews and approves applications by employers or group trusts for self-insurance authority, and investigates allegations of workers' compensation fraud and noncompliance.

Fiscal Year 2018 Governor's Recommendations

- \$5,900,000 Workers' Compensation Fund for the Workers' Compensation Modernization Project.
- (\$81,000) Workers' Compensation Fund transferred to the Office of Administration for leased space.

SECOND INJURY FUND BENEFITS

The Second Injury Fund is designed to compensate an injured employee when a current work-related injury combines with a prior injury to create an increased combined disability. For example, if an employee suffers a 15 percent disability from a current work-related injury and is already considered 15 percent disabled from a prior injury, the fund pays 10 percent for the resulting compound disability for a total of 40 percent impairment. The fund is also responsible for payment of medical bills for injured employees when the employer fails to insure its workers' compensation liability. In addition, if an employee is killed, burial expenses and death benefits in the form of weekly payments to the surviving spouse or dependents are paid from the fund. The fund also provides benefits to injured employees undergoing physical rehabilitation. For injuries taking place after August 28, 1998, but no later than December 31, 2013, the fund provides second job lost wage benefits. SB 1, signed into law on July 10, 2013, authorized a supplemental surcharge to provide funding to begin paying backlogged claims which have been held due to insufficient resources in the Second Injury Fund.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION**

TORT VICTIMS' COMPENSATION PAYMENTS

The Tort Victims' Compensation Fund provides benefits to individuals who have received a final monetary judgment in a civil case but who have been unable to collect all, or part of, the judgment entered against the defendant. The fund's exclusive revenue source is 50 percent of all punitive damage awards entered in civil cases in Missouri. Of this amount, 74 percent is used to pay victims, and the remaining 26 percent is transferred to the Basic Civil Legal Services Fund.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF EMPLOYMENT SECURITY**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 20,566,190	\$ 32,980,814	\$ 33,281,030
Special Employment Security Fund	4,538,077	7,062,911	7,062,911
War on Terror Unemployment Compensation Program	0	90,000	90,000
Employment and Training Payments	6,289,413	11,000,000	11,000,000
TOTAL	\$ 31,393,680	\$ 51,133,725	\$ 51,433,941
PERSONAL SERVICE			
Federal Funds	16,644,590	24,011,325	24,597,856
Other Funds	1,240,525	1,268,386	982,071
EXPENSE AND EQUIPMENT			
Federal Funds	2,605,005	7,823,696	7,547,827
Other Funds	4,004,916	5,949,823	6,561,123
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	6,898,644	11,424,175	11,700,044
Other Funds	0	656,320	45,020
TOTAL			
Federal Funds	26,148,239	43,259,196	43,845,727
Other Funds	5,245,441	7,874,529	7,588,214
Total Full-time Equivalent Employees	492.98	534.21	539.21
Federal Funds	460.72	505.21	517.21
Other Funds	32.26	29.00	22.00

ADMINISTRATION

The Division of Employment Security is responsible for determining employer liability, collecting unemployment compensation taxes from Missouri liable employers, paying unemployment benefits to eligible claimants, maintaining wage records of Missouri workers, and investigating cases involving possible fraud and benefit overpayments.

Fiscal Year 2018 Governor's Recommendations

- \$300,216 Unemployment Compensation Administration Fund and five staff transferred from the Office of the Administration for the Unemployment Insurance Modernization Project.
- \$286,315 federal funds and seven staff reallocated for realignment of the federal cost allocation plan.
- (\$286,315) Unemployment Automation Fund and (seven) staff reallocated for realignment of the federal cost allocation plan.

SPECIAL EMPLOYMENT SECURITY FUND

The Special Employment Security Fund receives interest and penalties collected under the provisions of the Missouri Employment Security Law. Expenditures from this fund include refunds of overcollected interest and penalties and administrative expenses of the division not covered by federal monies. Federal interest assessments on Title XII advances to the Unemployment Compensation Trust Fund are also deposited into this fund until payment to the federal government is made.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
DIVISION OF EMPLOYMENT SECURITY**

WAR ON TERROR UNEMPLOYMENT COMPENSATION PROGRAM

The War on Terror Unemployment Compensation Program provides enhanced unemployment benefits to veterans of the War on Terror who have been dismissed or demoted as a result of being deployed. Benefits are paid out of the War on Terror Unemployment Compensation Fund, which consists of administrative penalties paid by employers found in violation of the relevant statutory provisions.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

EMPLOYMENT AND TRAINING PAYMENTS

The Division of Employment Security operates employment and training programs established and funded by the U.S. Department of Labor as authorized by the Disaster Unemployment Assistance and the Trade Adjustment Assistance programs. The division contracts with the Division of Workforce Development and others to provide a full range of services, which include referral to employer job openings, job readiness skills training, referral to classroom or employer training, and payment of support services such as transportation, subsistence, and relocation allowances.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
STATE BOARD OF MEDIATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
State Board of Mediation			
TOTAL	\$ 112,982	\$ 122,761	\$ 122,761
PERSONAL SERVICE	105,707	113,785	113,785
EXPENSE AND EQUIPMENT	7,275	8,976	8,976
TOTAL			
General Revenue Fund	112,982	122,761	122,761
Total Full-time Equivalent Employees	2.04	2.00	2.00
General Revenue Fund	2.04	2.00	2.00

The State Board of Mediation is a quasi-judicial board that is statutorily charged with determining appropriate bargaining units of public employees that request the establishment of such units and for conducting elections to determine the exclusive bargaining representative for those units.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
MISSOURI COMMISSION ON HUMAN RIGHTS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Commission on Human Rights	\$ 1,400,691	\$ 1,694,640	\$ 1,694,640
Martin Luther King Jr. State Celebration Commission	29,183	60,086	60,086
TOTAL	\$ 1,429,874	\$ 1,754,726	\$ 1,754,726
PERSONAL SERVICE			
General Revenue Fund	497,868	523,573	523,573
Federal Funds	757,048	951,745	951,745
EXPENSE AND EQUIPMENT			
General Revenue Fund	16,154	20,067	19,026
Federal Funds	129,927	183,583	202,884
Other Funds	0	4,990	600
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	28,877	51,357	52,398
Federal Funds	0	19,401	100
Other Funds	0	10	4,400
TOTAL			
General Revenue Fund	542,899	594,997	594,997
Federal Funds	886,975	1,154,729	1,154,729
Other Funds	0	5,000	5,000
Total Full-time Equivalent Employees	29.67	32.70	32.70
General Revenue Fund	10.82	11.00	11.00
Federal Funds	18.85	21.70	21.70

MISSOURI COMMISSION ON HUMAN RIGHTS

The statutory mandate of the Missouri Commission on Human Rights (MCHR) is to prevent and eliminate discrimination as prohibited by the Missouri Human Rights Act. The act requires the MCHR to investigate and resolve complaints of alleged discrimination in the areas of housing, employment, and public accommodations due to race, color, religion, national origin, ancestry, sex, disability, or age (in employment only) and familial status (in housing only). Through its education and outreach program, the MCHR reduces intergroup conflict and discourages illegal discrimination.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MARTIN LUTHER KING JR. STATE CELEBRATION COMMISSION

The Martin Luther King Jr. State Celebration Commission considers and recommends to individuals and organizations appropriate activities for the recognition and celebration of Martin Luther King Day in Missouri.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF PUBLIC SAFETY

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Office of the Director	\$ 53,005,610	\$ 112,102,838	\$ 105,085,004	\$ 100,471,601
Capitol Police	1,384,327	1,456,895	1,431,964	1,391,002
State Highway Patrol	285,310,416	335,443,041	335,503,579	340,687,552
Division of Alcohol and Tobacco Control	934,861	2,097,903	1,892,292	1,892,292
Division of Fire Safety	4,126,882	4,641,735	4,464,868	4,353,811
Missouri Veterans' Commission	80,499,577	86,374,101	86,498,725	85,881,456
Missouri Gaming Commission	25,988,187	28,485,085	28,485,085	28,485,085
Adjutant General and State Emergency Management Agency	126,353,980	177,417,551	177,609,673	179,625,866
DEPARTMENTAL TOTAL	\$ 577,603,840	\$ 748,019,149 *	\$ 740,971,190	\$ 742,788,665
General Revenue Fund	58,565,703	81,093,052	82,803,061	73,553,336
Federal Funds	150,571,880	248,004,471	241,955,400	249,284,633
Gaming Commission Fund	27,386,482	31,102,027	31,102,027	31,154,059
Missouri Veterans' Homes Fund	73,435,005	78,628,062	78,751,941	77,946,006
State Highways and Transportation				
Department Fund	214,088,571	238,390,319	236,705,332	240,185,413
Other Funds	53,556,199	70,801,218	69,653,429	70,665,218
Total Full-time Equivalent Employees	5,042.00	5,047.70	5,064.70	5,071.70
General Revenue Fund	445.48	467.82	484.82	482.82
Federal Funds	392.71	434.83	434.83	437.83
Other Funds	4,203.81	4,145.05	4,145.05	4,151.05

* Does not include \$120,000 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Public Safety supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$742.7 million for the Department of Public Safety.

The department provides citizens with around-the-clock service by land, water, and air through these core functions:

- Preparing for and responding to disasters.
- Maintaining National Guard units at a high state of readiness so they are prepared to respond when called to active duty.
- Providing assistance and care for veterans.
- Enforcing laws on state roads and waterways.
- Combating the manufacturing and sale of illegal drugs, such as methamphetamine.
- Supporting local law enforcement agencies.
- Assisting victims of crime and crime victim organizations, such as domestic violence shelters.
- Promoting fire safety.
- Regulating riverboat gambling.

**DEPARTMENT OF PUBLIC SAFETY
OFFICE OF THE DIRECTOR AND
CRIMINAL JUSTICE PROGRAMS UNIT**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 20,223,095	\$ 33,410,985	\$ 28,628,948
Juvenile Justice Programs	1,759,909	1,822,792	822,792
Narcotics Control Assistance	3,742,578	5,080,000	4,510,000
Crime Victims' Programs	19,553,296	55,434,161	53,934,161
Cyber Crimes Task Forces	1,433,031	1,500,700	2,000,700
National Forensic Sciences Improvement Program	52,171	175,000	100,000
State Forensic Labs	357,911	399,200	400,000
Residential Substance Abuse Treatment Grant Program	395,103	450,000	350,000
Missouri Sheriff Methamphetamine Relief Taskforce (MOSMART)	4,320,380	12,330,000	7,200,000
Peace Officer Standards and Training Program	1,165,003	1,400,000	1,250,000
Funding for Fallen Public Safety Officers	3,133	100,000	50,000
Crisis Intervention Training	0	0	225,000
Capitol Security	0	0	750,000
Blue Alert System	0	0	250,000
TOTAL	\$ 53,005,610	\$ 112,102,838	\$ 100,471,601
PERSONAL SERVICE			
General Revenue Fund	906,104	1,078,905	1,340,740
Federal Funds	1,450,235	2,078,791	2,144,371
Other Funds	520,396	629,435	629,435
EXPENSE AND EQUIPMENT			
General Revenue Fund	127,035	1,584,803	1,218,483
Federal Funds	457,214	1,390,445	1,434,414
Other Funds	2,482,265	2,309,696	2,256,511
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	5,251,993	11,134,865	6,701,649
Federal Funds	29,656,312	74,423,570	68,222,870
Other Funds	12,154,056	17,472,328	16,523,128
TOTAL			
General Revenue Fund	6,285,132	13,798,573	9,260,872
Federal Funds	31,563,761	77,892,806	71,801,655
Other Funds	15,156,717	20,411,459	19,409,074
Total Full-time Equivalent Employees	63.06	70.80	79.80
General Revenue Fund	17.05	21.22	28.22
Federal Funds	31.35	35.72	37.72
Other Funds	14.66	13.86	13.86

The Director's Office provides the central budgeting, finance, and personnel control to ensure efficient use of available resources. Staff members plan, review, and evaluate programs to coordinate the state's public safety and law enforcement efforts, and to promote cooperation among local, state, and federal agencies. In addition, the criminal justice unit oversees the implementation of programs relating to juvenile justice, peace officer standards, forensic laboratories, narcotics control, and crime victims' assistance.

Fiscal Year 2018 Governor's Recommendations

- \$750,000 for security operations in the Capitol Building.
- \$500,000 for Cyber Crimes Task Force grants.
- \$250,000 for a Blue Alert System.
- \$172,804 and four staff for the Missouri Statewide Interoperability Network (MOSWIN).
- \$149,041 federal funds and three staff for the Victims of Crime Act grant administration.
- \$144,495 and three staff for the Peace Officer Standards and Training Program.
- \$225,000 transferred from the Department of Mental Health Adult Community Program for Crisis Intervention Training.
- (\$13,574,200) core reduction from the Fiscal Year 2017 appropriation level, including (\$6,580,000) general revenue.
- (\$195,192) federal funds and (one) staff reallocated to the State Emergency Management Agency.
- (\$53,185) Crime Victims' Compensation Fund core reduction for one-time expenditures.

**DEPARTMENT OF PUBLIC SAFETY
CAPITOL POLICE**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Capitol Police TOTAL	\$ 1,384,327	\$ 1,456,895	\$ 1,391,002
PERSONAL SERVICE	1,277,366	1,344,398	1,306,206
EXPENSE AND EQUIPMENT	106,961	112,497	84,796
TOTAL			
General Revenue Fund	1,384,327	1,456,895	1,391,002
Total Full-time Equivalent Employees	33.25	32.00	32.00
General Revenue Fund	33.25	32.00	32.00

The Capitol Police are responsible for security at the Capitol Building and other facilities occupied by state agencies throughout Jefferson City.

Fiscal Year 2018 Governor's Recommendations

- (\$38,192) core reduction from the Fiscal Year 2017 appropriation level.
- (\$27,701) core reduction for one-time expenditures.

**DEPARTMENT OF PUBLIC SAFETY
STATE HIGHWAY PATROL**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 8,829,303	\$ 9,567,792	\$ 9,606,392
Fringe Benefits	95,263,766	109,425,570	111,529,626
Enforcement	118,354,386	141,073,827	144,720,926
Crime Laboratory	9,443,640	11,440,792	12,138,625
Law Enforcement Academy	1,995,913	2,497,695	2,497,695
Vehicle and Driver Safety	11,746,040	12,943,679	12,973,110
Technical Services	<u>39,677,368</u>	<u>48,493,686</u>	<u>47,221,178</u>
TOTAL	\$ 285,310,416	\$ 335,443,041	\$ 340,687,552
PERSONAL SERVICE			
General Revenue Fund	25,097,308	28,713,822	30,737,978
Federal Funds	4,292,469	10,023,489	10,023,489
Gaming Commission Fund	366,149	596,173	596,173
State Highways and Transportation Department Fund	172,318,797	188,263,732	190,112,355
Other Funds	10,020,677	11,244,929	11,356,934
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,354,059	5,162,900	6,425,125
Federal Funds	7,585,252	12,771,646	12,770,645
Gaming Commission Fund	1,038,374	2,082,079	2,134,111
State Highways and Transportation Department Fund	41,769,683	50,126,387	50,072,858
Other Funds	16,637,078	21,657,203	21,657,203
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	100	100
Federal Funds	2,818,535	4,786,381	4,786,381
State Highways and Transportation Department Fund	91	200	200
Other Funds	11,944	14,000	14,000
TOTAL			
General Revenue Fund	28,451,367	33,876,822	37,163,203
Federal Funds	14,696,256	27,581,516	27,580,515
Gaming Commission Fund	1,404,523	2,678,252	2,730,284
State Highways and Transportation Department Fund	214,088,571	238,390,319	240,185,413
Other Funds	26,669,699	32,916,132	33,028,137
Total Full-time Equivalent Employees			
General Revenue Fund	2,410.15	2,313.50	2,330.50
Federal Funds	235.49	246.57	257.57
State Highways and Transportation Department Fund	50.18	27.00	27.00
Other Funds	2,124.48	2,039.93	2,045.93

ADMINISTRATION

This section includes the administrative, planning, fiscal, and support activities of the Missouri State Highway Patrol.

Fiscal Year 2018 Governor's Recommendations

- \$86,746 State Highways and Transportation Department Fund and two staff reallocated from various divisions.
- (\$48,146) federal funds and (one) staff reallocated to the Technical Services Division.

DEPARTMENT OF PUBLIC SAFETY STATE HIGHWAY PATROL

FRINGE BENEFITS

Employer retirement contributions, health insurance, and workers' compensation insurance for Missouri State Highway Patrol employees are paid by the state in a separate appropriation made for those purposes. The amount of the retirement payment is determined by the Board of Trustees of the Missouri Department of Transportation and Missouri Highway Patrol Employees' Retirement System (MPERS).

Fiscal Year 2018 Governor's Recommendations

- \$2,104,056 other funds for fringe benefit cost increases, including \$413,250 general revenue.

ENFORCEMENT

The primary activity of this section is the patrolling of more than 123,000 miles of public roadways to ensure the safe and orderly flow of traffic and patrolling 626,081 acres of recreational waters in the state. The Enforcement Division also performs undercover investigations, assists local law enforcement agencies, provides access to the Missouri Uniform Law Enforcement System, performs criminal background checks, and maintains a statewide system of commercial motor vehicle weigh stations. Officers provide boating safety education and boat inspection services and enforce laws relating to water safety.

Fiscal Year 2018 Governor's Recommendations

- \$1,000,000 for the Division of Drug and Crime Control operations.
- \$397,000 for mandatory aircraft training and maintenance, including \$126,000 general revenue.
- \$388,800 for purchase of tasers, including \$194,400 general revenue.
- \$301,200 for ballistic vest and uniform allowance, including \$24,800 general revenue.
- \$250,000 State Highways and Transportation Department Fund for a scale maintenance truck.
- \$115,334 State Highways and Transportation Department Fund and three staff for the Patrol Records Division.
- \$45,733 State Highways and Transportation Department Fund for an evidence storage system at Troop E.
- \$1,820,801 and 14 staff transferred from the Office of the Governor.
- \$51,144 and one staff reallocated from the Technical Services Division.
- (\$483,844) core reduction for one-time expenditures, including (\$216,734) general revenue.
- (\$111,083) federal funds reallocated to the Crime Lab Division for overtime.
- (\$83,512) State Highways and Transportation Department Fund and (two) staff reallocated to various divisions.
- (\$43,473) core reduction from the Fiscal Year 2017 appropriation level.
- (\$1,001) federal funds transferred to the Office of Administration for leasing costs.

CRIME LABORATORY

The Missouri State Highway Patrol Crime Laboratory is a nationally accredited crime lab system that provides state-of-the-art forensic science services to all local, state, and federal law enforcement agencies. Services provided include analysis in forensic specialties of controlled substance, DNA, trace evidence, firearms, tool-mark, toxicology, and latent fingerprint examination.

Fiscal Year 2018 Governor's Recommendations

- \$586,750 for reduction of crime laboratory backlog.
- \$300,000 State Highways and Transportation Department Fund for alignment of appropriations with planned expenditures.
- \$111,083 federal funds reallocated from the Enforcement Division.
- (\$300,000) core reduction from the Fiscal Year 2017 appropriation level.

LAW ENFORCEMENT ACADEMY

The academy provides basic training to police officers in all agencies outside St. Louis and Jackson counties. The academy also provides administrative and specialized training to police officers from all counties.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF PUBLIC SAFETY
STATE HIGHWAY PATROL**

VEHICLE AND DRIVER SAFETY

This section evaluates drivers and vehicles to identify and remove those unfit to be on Missouri roadways. Over 4,400 inspection stations and approximately 14,830 inspector mechanics throughout the state are supervised. The section also maintains over 150 driver examination stations throughout the state.

Fiscal Year 2018 Governor's Recommendations

- \$30,431 State Highways and Transportation Department Fund and one staff reallocated from the Enforcement Division.
- (\$1,000) State Highways and Transportation Department Fund transferred to the Office of Administration for leasing costs.

TECHNICAL SERVICES

This section develops and processes comprehensive criminal offender data, traffic record data, and administrative data. The database is used to respond to inquiries and for analysis of the criminal justice and traffic systems to plan for effective law enforcement. This section also operates the statewide Missouri Uniform Law Enforcement System (MULES).

Fiscal Year 2018 Governor's Recommendations

- \$450,000 State Highways and Transportation Department Fund for an upgrade to technical services infrastructure.
- \$203,645 State Highways and Transportation Department Fund and three staff for alignment of appropriations with planned expenditures.
- \$117,800 State Highways and Transportation Department Fund for purchase of mobile identification units.
- \$48,146 federal funds and one staff reallocated from the Administration Division.
- (\$1,803,645) core reduction for one-time expenditures, including (\$115,768) general revenue.
- (\$203,645) and (three) staff core reduction from the Fiscal Year 2017 appropriation level.
- (\$84,809) and (two) staff reallocated to various divisions, including (\$51,144) general revenue.

**DEPARTMENT OF PUBLIC SAFETY
DIVISION OF ALCOHOL AND TOBACCO CONTROL**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Alcohol and Tobacco Control			
TOTAL	\$ 934,861	\$ 2,097,903	\$ 1,892,292
PERSONAL SERVICE			
General Revenue Fund	680,263	0	0
Federal Funds	0	104,152	20,000
Other Funds	78,258	1,324,828	1,324,828
EXPENSE AND EQUIPMENT			
General Revenue Fund	84,861	0	0
Federal Funds	60,828	63,442	147,594
Other Funds	30,651	605,481	399,870
TOTAL			
General Revenue Fund	765,124	0	0
Federal Funds	60,828	167,594	167,594
Other Funds	108,909	1,930,309	1,724,698
Total Full-time Equivalent Employees	17.09	29.00	29.00
General Revenue Fund	15.20	0.00	0.00
Federal Funds	0.00	0.00	0.00
Other Funds	1.89	29.00	29.00

The Division of Alcohol and Tobacco Control administrative staff reviews all liquor license applications and reports liquor and tobacco violations. The staff develops facts regarding reported violations in pre-hearing conferences and formal hearings before the supervisor and, when appropriate, issues citations.

The audit and collection staff reviews beer, wine, and liquor transactions to ensure that all revenues due to the state are collected. The program also ensures fair competition among liquor wholesalers by monitoring actual prices charged for various classes and types of beverages against price schedules for such products.

The enforcement program ensures that liquor licenses are issued only to qualified applicants on approved premises. Reports are filed with local authorities and the supervisor of Alcohol and Tobacco Control for review and appropriate action.

Fiscal Year 2018 Governor's Recommendations

- (\$205,611) Division of Alcohol and Tobacco Control Fund core reduction for one-time expenditures.

**DEPARTMENT OF PUBLIC SAFETY
DIVISION OF FIRE SAFETY**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 3,277,786	\$ 3,683,735	\$ 3,395,811
Firefighter Training Program	849,096	958,000	958,000
TOTAL	\$ 4,126,882	\$ 4,641,735	\$ 4,353,811
PERSONAL SERVICE			
General Revenue Fund	1,931,860	2,278,317	2,169,705
Other Funds	804,622	899,365	899,365
EXPENSE AND EQUIPMENT			
General Revenue Fund	827,265	920,209	720,317
Other Funds	523,342	543,444	564,024
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	24,463	100	100
Other Funds	15,330	300	300
TOTAL			
General Revenue Fund	2,783,588	3,198,626	2,890,122
Other Funds	1,343,294	1,443,109	1,463,689
Total Full-time Equivalent Employees	67.52	72.92	69.92
General Revenue Fund	47.67	53.92	50.92
Other Funds	19.85	19.00	19.00

Division of Fire Safety staff investigates the causes of fires and explosions. Investigators assist in case development and work with local law enforcement authorities to prosecute persons accused of arson. Inspection activities concentrate on fire prevention evaluations. Inspectors evaluate facilities that are used for state mental health patients, patient care facilities operated by the Department of Mental Health, day care facilities licensed by the state, senior citizen nutrition and recreation centers, and other public facilities. The division also administers the Public Boiler and Pressure Vessel Safety Inspection Program, Elevator Safety Program, and Amusement Ride Safety Program; conducts fireworks industry inspections; and provides firefighter training throughout the state.

Fiscal Year 2018 Governor's Recommendations

- \$20,580 Elevator Safety Fund for fire safety inspector vehicle replacement.
- (\$176,867) core reduction for one-time expenditures.
- (\$131,637) and (three) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF PUBLIC SAFETY
MISSOURI VETERANS' COMMISSION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration and Service to Veterans	\$ 4,852,040	\$ 5,831,825	\$ 6,105,739
Veterans' Service Officer Program	1,387,095	1,600,000	1,600,000
Veterans' Homes	73,759,721	78,792,276	78,025,717
World War I Memorial	130,000	150,000	150,000
World War II Memorial	370,721	0	0
TOTAL	\$ 80,499,577	\$ 86,374,101	\$ 85,881,456
PERSONAL SERVICE			
General Revenue Fund	0	204,000	204,000
Veterans' Commission Capital Improvement Trust Fund	3,397,548	3,660,372	4,451,425
Missouri Veterans' Homes Fund	52,175,333	55,559,516	54,768,463
EXPENSE AND EQUIPMENT			
General Revenue Fund	727,498	750,000	0
Veterans' Commission Capital Improvement Trust Fund	977,898	1,307,855	1,456,213
Missouri Veterans' Homes Fund	21,259,612	23,068,546	23,177,543
Veterans' Trust Fund	73,812	73,812	73,812
World War I Memorial Trust Fund	130,000	150,000	150,000
PROGRAM SPECIFIC DISTRIBUTION			
Veterans' Commission Capital Improvement Trust Fund	1,387,095	1,600,000	1,600,000
Missouri Veterans' Homes Fund	60	0	0
World War II Memorial Trust Fund	370,721	0	0
TOTAL			
General Revenue Fund	727,498	954,000	204,000
Veterans' Commission Capital Improvement Trust Fund	5,762,541	6,568,227	7,507,638
Missouri Veterans' Homes Fund	73,435,005	78,628,062	77,946,006
Veterans' Trust Fund	73,812	73,812	73,812
World War I Memorial Trust Fund	130,000	150,000	150,000
World War II Memorial Trust Fund	370,721	0	0
Total Full-time Equivalent Employees	1,768.92	1,753.94	1,753.94
Other Funds	1,768.92	1,753.94	1,753.94

The Missouri Veterans' Commission has four components: administration, which oversees programs and maintains central files; the Missouri veterans' homes at St. James, Mexico, Mt. Vernon, Cape Girardeau, St. Louis, Cameron, and Warrensburg, which care for Missouri veterans; the Missouri veterans' cemeteries at Higginsville, Springfield, Jacksonville, and Bloomfield; and the Service to Veterans' Program, which assists veterans in applying for U.S. Veterans' Administration pensions and other benefits.

Fiscal Year 2018 Governor's Recommendations

- \$144,164 Missouri Veterans' Homes Fund for increases in food and medical costs.
- \$113,191 Missouri Veterans' Homes Fund for increases in routine costs of nursing home care.
- \$273,914 Veterans' Commission Capital Improvement Trust Fund and three staff reallocated from Veterans' Homes operations.
- (\$750,000) core reduction from the Fiscal Year 2017 appropriation level.
- (\$273,914) Missouri Veterans' Home Fund and (three) staff reallocated to the Administration Division.

**DEPARTMENT OF PUBLIC SAFETY
MISSOURI GAMING COMMISSION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Missouri Gaming Commission			
TOTAL	\$ 25,988,187	\$ 28,485,085	\$ 28,485,085
PERSONAL SERVICE	19,544,411	21,429,939	21,429,939
EXPENSE AND EQUIPMENT	1,443,776	2,055,146	2,055,146
PROGRAM SPECIFIC DISTRIBUTION	5,000,000	5,000,000	5,000,000
TOTAL			
Other Funds	25,988,187	28,485,085	28,485,085
Total Full-time Equivalent Employees	231.29	239.00	239.00
Other Funds	231.29	239.00	239.00

The Missouri Gaming Commission regulates bingo, fantasy sports contest operators, and riverboat gambling at 13 riverboat casinos. The five members of the Gaming Commission are appointed by the Governor with the advice and consent of the Senate.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF PUBLIC SAFETY
ADJUTANT GENERAL AND
STATE EMERGENCY MANAGEMENT AGENCY**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 1,239,927	\$ 1,418,418	\$ 1,418,418
Missouri National Guard Trust Fund Program	5,230,502	7,861,629	7,861,629
Veterans' Recognition Program	85,323	631,990	631,990
Field Support	2,483,441	3,005,786	3,005,786
Missouri Military Family Relief Program	116,291	150,000	150,000
Contract Services	19,208,125	25,653,934	25,653,934
Office of Air Search & Rescue	16,976	17,501	17,501
State Emergency Management Agency (SEMA)	97,973,395	138,678,293	140,886,608
TOTAL	\$ 126,353,980	\$ 177,417,551	\$ 179,625,866
PERSONAL SERVICE			
General Revenue Fund	3,452,934	3,488,572	3,488,572
Federal Funds	11,486,412	13,883,972	13,929,164
Missouri National Guard Trust Fund	1,099,280	1,291,425	1,291,425
Other Funds	225,274	278,414	278,414
EXPENSE AND EQUIPMENT			
General Revenue Fund	5,077,910	5,341,571	5,221,571
Federal Funds	14,196,396	17,038,340	17,365,462
Missouri National Guard Trust Fund	1,760,375	3,900,171	3,900,171
Other Funds	264,492	980,209	980,209
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	9,637,823	18,977,993	13,933,994
Federal Funds	78,568,227	111,440,243	118,440,243
Missouri National Guard Trust Fund	0	1	1
Other Funds	584,857	796,640	796,640
TOTAL			
General Revenue Fund	18,168,667	27,808,136	22,644,137
Federal Funds	104,251,035	142,362,555	149,734,869
Missouri National Guard Trust Fund	2,859,655	5,191,597	5,191,597
Other Funds	1,074,623	2,055,263	2,055,263
Total Full-time Equivalent Employees	450.72	536.54	537.54
General Revenue Fund	96.82	114.11	114.11
Federal Funds	311.18	372.11	373.11
Other Funds	42.72	50.32	50.32

ADMINISTRATION

This section provides administrative support for the Missouri National Guard, including the functions of command communication, logistical assistance, finance, and budgeting. The Adjutant General is the military chief-of-staff to the commander-in-chief (Governor). The Adjutant General is also the administrative head of the military forces, which include Army and Air National Guard elements assigned to the state by the federal government.

Fiscal Year 2018 Governor's Recommendations

- \$120,000 federal funds to align appropriations with available resources.
- (\$120,000) core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF PUBLIC SAFETY
ADJUTANT GENERAL AND
STATE EMERGENCY MANAGEMENT AGENCY**

MISSOURI NATIONAL GUARD TRUST FUND PROGRAM

The Missouri National Guard Trust Fund receives income tax check-off contributions. Grants, gifts, and bequests may also be deposited in the fund. In the absence of specific requirements attached to fund donations, the Office of the Adjutant General may, subject to appropriation, expend the funds for any lawful purpose in support of the Guard.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

VETERANS' RECOGNITION PROGRAM

The Veterans' Recognition Program was first established in 2000 with the creation of the World War II Veterans' Recognition Award. The Program now includes the Korean Conflict Medallion Program, the Vietnam War Medallion Program, the Operation Iraqi Freedom and Operation New Dawn Medallion Program, and the Operation Desert Shield and Operation Desert Storm Medallion Program.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

FIELD SUPPORT

The field support section supports the operational needs of Missouri National Guard facilities located throughout the state. This section includes maintenance and operation of 59 readiness centers and 557 buildings in 54 Missouri communities.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MISSOURI MILITARY FAMILY RELIEF PROGRAM

Families of persons who are members of the Missouri National Guard or Missouri residents who are members of the reserve forces of the United States and have been called to active duty as a result of the terrorist attacks of September 11, 2001 are eligible for grants through this program. This program is funded from donations and contributions designated on Missouri income tax returns.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

CONTRACT SERVICES

This section provides funding for contractual agreements between the federal and state governments.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

OFFICE OF AIR SEARCH AND RESCUE

The Office of Air Search and Rescue provides emergency services utilizing the efforts of professionally trained pilots, communications specialists, and emergency support personnel. The office works in cooperation with state and federal agencies, the Civil Air Patrol, and public and private hospitals to provide emergency services, rescue operations, mercy missions, aerial observations, and emergency communications to anyone in immediate need of these specialized services.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**DEPARTMENT OF PUBLIC SAFETY
ADJUTANT GENERAL AND
STATE EMERGENCY MANAGEMENT AGENCY**

STATE EMERGENCY MANAGEMENT AGENCY

The State Emergency Management Agency (SEMA) develops policies and procedures that help protect citizens in times of disaster. The agency is charged with the task of preparing and periodically updating plans to manage and control the state's resources in emergency situations. Once disaster strikes, the agency administers federal assistance to disaster areas, and coordinates efforts to aid individuals, protect property, and restore essential utilities and structures. A state emergency operations center is maintained to serve as the control center for state government should emergency situations arise.

The Center for Emergency Response and Terrorism (CERT) is responsible for coordinating regional and state preparedness for public health emergencies and natural disasters, including chemical, biological, radiological, and nuclear terrorism. Through partnerships with local public health agencies, health care organizations, local government agencies, first responders, and other public and private partners, the center works to assure that systems and programs are in place to protect the health of Missourians during a public health emergency.

Fiscal Year 2018 Governor's Recommendations

- \$7,060,192 federal funds for an increase in the Cooperating Technical Partner floodplain management grant.
- \$195,192 federal funds and one staff reallocated from the Office of Homeland Security.
- (\$5,043,999) core reduction from the Fiscal Year 2017 appropriation level.
- (\$3,070) federal funds transferred to the Office of Administration for leasing costs.

DEPARTMENT OF CORRECTIONS

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Office of the Director	\$ 8,186,033	\$ 12,570,496	\$ 11,928,118	\$ 13,683,118
Division of Human Services	116,166,505	123,563,229	124,126,631	123,535,849
Division of Adult Institutions	282,402,217	300,327,285	300,940,255	301,240,255
Division of Offender Rehabilitative Services	186,865,243	197,135,605	203,959,242	196,957,842
Board of Probation and Parole	83,715,713	92,568,577	92,543,670	90,043,670
DEPARTMENTAL TOTAL	\$ 677,335,711	\$ 726,165,192 *	\$ 733,497,916	\$ 725,460,734
General Revenue Fund	645,154,544	678,093,702	685,651,426	677,569,244
Federal Funds	1,988,106	5,167,846	5,042,846	5,042,846
Working Capital Revolving Fund	23,449,758	30,604,097	30,604,097	30,604,097
Inmate Fund	6,608,813	11,379,547	11,379,547	11,379,547
Inmate Incarceration Reimbursement Act Revolving Fund	9	750,000	750,000	750,000
Correctional Substance Abuse Earnings Fund	119,184	140,000	40,000	40,000
State Institutions Gift Trust Fund	15,297	30,000	30,000	75,000
Total Full-time Equivalent Employees	11,292.14	11,243.85	11,243.85	11,243.85
General Revenue Fund	11,071.58	10,961.85	10,961.85	10,961.85
Federal Funds	35.10	43.00	43.00	43.00
Other Funds	185.46	239.00	239.00	239.00

* Does not include \$953,446 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Corrections supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$725.5 million for the Department of Corrections. The department provides secure facilities for segregating criminals and promotes their safe reentry into lawful society. The Department of Corrections promotes Missourian safety through:

- Confinement of offenders who require incarceration.
- Provision of effective reentry strategies which reduce offender recidivism.
- Rehabilitation of both incarcerated and community-supervised offenders.
- Supervision of offenders who have served their terms and are being reintroduced back into society.
- Supervision of offenders who have been assigned community probation.

**DEPARTMENT OF CORRECTIONS
OFFICE OF THE DIRECTOR**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Office of the Director (Staff)	\$ 4,712,618	\$ 5,094,856	\$ 5,094,856
Federal and Other Programs	1,907,459	4,876,822	4,921,822
Restitution Payments	92,800	75,278	111,778
Population Growth Pool	427,061	1,856,040	1,177,162
St. Louis Reentry Program	727,500	250,000	0
Kansas City Reentry Program	212,600	218,000	178,000
Reentry, Rehabilitation, and Recidivism Initiatives	105,995	199,500	2,199,500
TOTAL	\$ 8,186,033	\$ 12,570,496	\$ 13,683,118
PERSONAL SERVICE			
General Revenue Fund	4,136,108	5,069,899	4,492,164
Federal Funds	1,296,692	2,390,376	2,390,376
EXPENSE AND EQUIPMENT			
General Revenue Fund	559,968	1,024,401	2,361,165
Federal Funds	595,470	2,456,446	2,456,446
Other Funds	121,292	205,232	250,232
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,405,470	578,850	887,443
Federal Funds	71,024	71,024	71,024
Other Funds	9	774,268	774,268
TOTAL			
General Revenue Fund	6,101,546	6,673,150	7,740,772
Federal Funds	1,963,186	4,917,846	4,917,846
Other Funds	121,301	979,500	1,024,500
Total Full-time Equivalent Employees	137.11	151.00	151.00
General Revenue Fund	102.01	108.00	108.00
Federal Funds	35.10	43.00	43.00

The Director of the Department of Corrections formulates policies and procedures to effectively and efficiently improve public safety. To apply these policies, the Office of the Director administers and coordinates the department's four divisions: Human Services, Adult Institutions, Offender Rehabilitative Services, and Probation and Parole. The Office of the Director consists of the Director, Deputy Director, Public Information, Legislative/Constituent Services, Legal Services, Inspector General, Restorative Justice, Victim Services, Reentry/Women's Offender Program, Emergency Preparedness/Workplace Violence Coordinator, and Budget and Research.

Fiscal Year 2018 Governor's Recommendations

- \$2,000,000 for reentry, rehabilitation, and recidivism initiatives.
- \$45,000 State Institutions Gift Trust Fund for the Puppies for Parole program.
- \$36,500 for restitution for individuals found actually innocent through DNA analysis.
- (\$607,920) reallocated to the Division of Adult Institutions.
- (\$290,000) core reduction from the Fiscal Year 2017 appropriation level.
- (\$67,412) core reduction for one-time expenditures.
- (\$3,546) transferred to the Office of Administration for leased space.

**DEPARTMENT OF CORRECTIONS
DIVISION OF HUMAN SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
General Services	\$ 410,931	\$ 411,834	\$ 411,834
Fuel and Utilities	27,548,776	29,090,422	29,090,422
Telecommunications	1,960,530	1,860,529	1,860,529
Food Purchases	30,223,760	31,433,488	31,308,488
Human Services (Staff)	8,838,647	9,766,594	9,864,214
Staff Training	913,757	913,909	913,909
Employee Health and Safety	579,885	580,135	580,135
Overtime	5,873,219	6,176,046	6,176,046
Costs in Criminal Cases	39,817,000	43,330,272	43,330,272
TOTAL	\$ 116,166,505	\$ 123,563,229	\$ 123,535,849
PERSONAL SERVICE			
General Revenue Fund	14,516,190	15,652,895	15,750,515
Other Funds	87,549	143,688	143,688
EXPENSE AND EQUIPMENT			
General Revenue Fund	60,467,927	62,726,699	62,726,699
Federal Funds	24,920	250,000	125,000
Other Funds	1,252,919	1,459,675	1,459,675
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	39,817,000	43,330,272	43,330,272
TOTAL			
General Revenue Fund	114,801,117	121,709,866	121,807,486
Federal Funds	24,920	250,000	125,000
Other Funds	1,340,468	1,603,363	1,603,363
Total Full-time Equivalent Employees	433.98	254.60	257.60
General Revenue Fund	430.90	249.60	252.60
Other Funds	3.08	5.00	5.00

The Division of Human Services consists of Training, Employee Health and Safety, Human Resources, Fiscal Management, Offender Finance, General Services, Planning, Religious and Spiritual Programming, and Volunteers/Interns. The Training Academy is responsible for equipping new and current staff with duty skills. Employee Health and Safety oversees infectious disease control, workers' compensation, wellness programs, and staff drug testing. Human Resources coordinates all personnel actions and processes and investigates employee complaints. Fiscal Management oversees departmental day-to-day financial operations. Offender Finance manages offender banking services. General Services coordinates food and construction services. The Planning Section develops strategic plans and initiatives. Religious and Spiritual Programming serves offender religious and spiritual needs. The Volunteers/Interns coordinator recruits and oversees volunteers and interns. The division also manages department-wide appropriations including food and compensatory time.

Fiscal Year 2018 Governor's Recommendations

- \$97,620 and three staff reallocated from various divisions.
- (\$125,000) federal funds core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF CORRECTIONS
DIVISION OF ADULT INSTITUTIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Central Office	\$ 1,562,087	\$ 1,756,652	\$ 1,756,652
Wage and Discharge Costs	3,259,018	3,259,031	3,259,031
Institutional E&E Pool	22,576,850	22,523,328	22,853,512
Jefferson City Correctional Center	17,033,710	17,743,817	17,786,032
Women's Eastern Reception, Diagnostic and Correctional Center	13,545,377	14,208,801	14,208,801
Ozark Correctional Center	5,346,609	5,981,793	6,014,754
Moberly Correctional Center	12,435,596	13,167,515	13,200,477
Algoa Correctional Center	10,047,603	10,954,445	10,954,445
Missouri Eastern Correctional Center	10,131,047	11,044,960	11,008,273
Chillicothe Correctional Center	13,431,764	14,059,171	14,636,907
Boonville Correctional Center	9,552,255	10,265,432	10,265,432
Farmington Correctional Center	19,027,411	19,701,936	19,701,936
Western Missouri Correctional Center	14,676,216	16,242,445	16,210,945
Potosi Correctional Center	10,636,122	11,275,032	11,311,719
Fulton Reception and Diagnostic Center	13,612,623	14,135,681	14,170,117
Tipton Correctional Center	10,030,973	10,690,391	10,661,005
Western Reception, Diagnostic and Correctional Center	15,822,293	16,744,272	16,744,272
Maryville Treatment Center	5,723,700	6,164,597	6,164,597
Crossroads Correctional Center	11,479,952	12,826,348	12,826,348
Northeast Correctional Center	16,127,490	17,325,686	17,325,686
Eastern Reception, Diagnostic and Correctional Center	18,729,585	19,793,097	19,684,959
South Central Correctional Center	13,009,994	13,568,026	13,568,026
Southeast Correctional Center	12,841,814	13,308,291	13,339,791
Kansas City Reentry Center	1,762,128	3,586,538	3,586,538
TOTAL	\$ 282,402,217	\$ 300,327,285	\$ 301,240,255
PERSONAL SERVICE			
General Revenue Fund	256,414,452	273,928,544	274,511,330
Other Funds	24,465	488,939	488,939
EXPENSE AND EQUIPMENT			
General Revenue Fund	25,963,164	25,909,802	26,239,736
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	136	0	250
TOTAL			
General Revenue Fund	282,377,752	299,838,346	300,751,316
Other Funds	24,465	488,939	488,939
Total Full-time Equivalent Employees	8,200.05	8,244.61	8,244.61
General Revenue Fund	8,199.47	8,232.61	8,232.61
Other Funds	0.58	12.00	12.00

The Division of Adult Institutions safely and humanely houses criminal offenders within 21 adult correctional institutions statewide and prepares these offenders to successfully reenter Missouri communities. The division is responsible for operating safe and secure prisons that hold offenders accountable for their behavior.

Fiscal Year 2018 Governor's Recommendations

- \$300,000 for body armor replacement.
- \$607,920 reallocated from the Office of the Director.
- \$34,436 and one staff reallocated from the Division of Offender Rehabilitative Services.
- (\$29,386) and (one) staff reallocated to the Division of Human Services.

**DEPARTMENT OF CORRECTIONS
DIVISION OF ADULT INSTITUTIONS**

Missouri Prison Population for December 28, 2016

<u>Male</u>	<u>Design Capacity</u>	<u>Saturation Capacity</u>	<u>Beds Off Line</u>	<u>Population</u>	<u>Vacancies</u>
Algoa Correctional Center	1,537	0	0	1,517	20
Boonville Correctional Center	1,346	0	0	1,314	32
Crossroads Correctional Center	1,418	22	0	1,440	5
Cremer Treatment Center	180	0	0	164	16
Eastern Reception, Diagnostic and Correctional Center	2,817	0	0	2,744	73
Farmington Correctional Center	2,652	3	0	2,634	21
Fulton Reception and Diagnostic Center	1,302	0	0	1,498	(196)
Jefferson City Correctional Center	1,941	0	0	1,937	4
Kansas City Reentry Center	405	0	(105)	394	(94)
Moberly Correctional Center	1,800	0	0	1,798	2
Missouri Eastern Correctional Center	1,100	0	0	1,092	8
Maryville Treatment Center	525	36	0	533	28
Northeast Correctional Center	1,925	181	0	2,094	12
Ozark Correctional Center	650	88	0	721	17
Potosi Correctional Center	851	51	0	893	9
South Central Correctional Center	1,516	112	0	1,606	20
Southeast Correctional Center	1,510	112	0	1,617	5
Tipton Correctional Center	1,118	128	(24)	1,208	14
Western Missouri Correctional Center	1,923	35	0	1,946	12
Western Reception, Diagnostic and Correctional Center	1,928	40	0	1,994	(26)
TOTAL MALE POPULATION	28,444	808	(129)	29,144	(18)
Female					
Chillicothe Correctional Center	1,636	0	(96)	1,504	36
Women's Eastern Reception, Diagnostic and Correctional Center	1,460	100	0	1,831	(271)
TOTAL FEMALE POPULATION	3,096	100	(96)	3,335	(235)
TOTAL POPULATION	31,540	908	(225)	32,479	(253)

**DEPARTMENT OF CORRECTIONS
DIVISION OF OFFENDER REHABILITATIVE SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Central Office	\$ 1,202,424	\$ 1,297,634	\$ 1,297,634
Medical Services	145,946,981	147,550,706	147,550,706
Medical Equipment	283,211	299,087	299,087
Substance Abuse Services	9,137,406	9,553,322	9,453,322
Drug Testing - Toxicology	500,246	517,125	517,125
Education Services	7,598,136	8,739,241	8,661,478
Vocational Enterprises	22,196,839	29,178,490	29,178,490
TOTAL	\$ 186,865,243	\$ 197,135,605	\$ 196,957,842
PERSONAL SERVICE			
General Revenue Fund	12,483,380	13,950,235	13,838,036
Other Funds	5,627,328	7,178,490	7,178,490
EXPENSE AND EQUIPMENT			
General Revenue Fund	152,065,840	153,557,916	153,892,352
Other Funds	16,416,258	22,140,000	22,039,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	308,964	8,964
Other Funds	272,437	0	1,000
TOTAL			
General Revenue Fund	164,549,220	167,817,115	167,739,352
Other Funds	22,316,023	29,318,490	29,218,490
Total Full-time Equivalent Employees	499.09	579.15	577.15
General Revenue Fund	333.74	357.15	355.15
Other Funds	165.35	222.00	222.00

The Division of Offender Rehabilitative Services provides offenders with rehabilitative, educational, and treatment programs. These programs include: reception and diagnostic center assessment; adult education; library services; substance abuse treatment; inmate physical and mental health care; sexual offender assessment and treatment; and work-based education, including Missouri Vocational Enterprises employment. Through these programs, the offender's ability to comply with societal expectations improves and recidivism falls.

Fiscal Year 2018 Governor's Recommendations

- (\$100,000) Correctional Substance Abuse Earnings Fund core reduction from the Fiscal Year 2017 appropriation level.
- (\$43,327) and (one) staff reallocated to the Division of Human Services.
- (\$34,436) and (one) staff reallocated to the Division of Adult Institutions.

**DEPARTMENT OF CORRECTIONS
BOARD OF PROBATION AND PAROLE**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Probation and Parole (Staff)	\$ 67,787,934	\$ 74,155,371	\$ 74,102,755
St. Louis Community Release Center	3,893,649	4,387,828	4,387,828
Kansas City Community Release Center	395,382	0	0
Community Supervision Centers	5,010,975	5,131,269	5,158,978
Community-Based Corrections Programs	6,627,773	8,894,109	6,394,109
TOTAL	\$ 83,715,713	\$ 92,568,577	\$ 90,043,670
PERSONAL SERVICE			
General Revenue Fund	71,407,960	75,027,407	75,002,500
Other Funds	530,785	0	0
EXPENSE AND EQUIPMENT			
General Revenue Fund	5,737,503	7,027,817	4,527,817
Other Funds	5,719,648	10,513,352	10,503,352
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	179,446	1	1
Other Funds	140,371	0	10,000
TOTAL			
General Revenue Fund	77,324,909	82,055,225	79,530,318
Other Funds	6,390,804	10,513,352	10,513,352
Total Full-time Equivalent Employees	2,021.91	2,014.49	2,013.49
General Revenue Fund	2,005.46	2,014.49	2,013.49
Other Funds	16.45	0.00	0.00

The Board of Probation and Parole provides a full range of supervision strategies to manage offenders on probation, parole and conditional release supervision. These strategies combine appropriate structure, control, treatment, and intervention to address the risk and needs of offenders in the community. In addition to supervision of offenders, staff provides assessments and investigations for the Courts, Parole Board, and other states. These assessments and investigations assist judges and the parole board in making informed and appropriate decisions. Through professional assessment and supervision, the board identifies and delivers necessary services to a complex offender population. The Board also manages incarceration alternatives including electronic monitoring programs, intensive supervision programs, contracted residential facilities, one community release center, and six community supervision centers.

Fiscal Year 2018 Governor's Recommendations

- (\$2,500,000) core reduction from the Fiscal Year 2017 appropriation level.
- (\$24,907) and (one) staff reallocated to the Division of Human Services.

DEPARTMENT OF MENTAL HEALTH

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Office of the Director	\$ 40,707,129	\$ 54,529,431	\$ 45,222,018	\$ 46,829,431
Division of Behavioral Health-Alcohol and Drug Abuse	118,959,265	144,245,709	146,661,052	163,243,574
Division of Behavioral Health-Comprehensive				
Psychiatric Services	562,528,266	659,326,286	673,751,733	755,695,339
Division of Developmental Disabilities	908,557,937	1,134,050,331	1,162,887,289	1,111,289,925
DEPARTMENTAL TOTAL	\$ 1,630,752,597	\$ 1,992,151,757 *	\$ 2,028,522,092	\$ 2,077,058,269
General Revenue Fund	714,510,133	816,386,000	847,927,357	797,147,763
Federal Funds	861,957,846	1,119,157,213	1,130,887,276	1,230,522,010
Mental Health Intergovernmental Transfer Fund	4,057,202	8,000,000	5,000,000	5,000,000
Compulsive Gamblers Fund	130,774	262,958	262,958	256,628
Health Initiatives Fund	6,518,365	6,524,682	6,524,682	6,443,082
Mental Health Housing Trust Fund	2,062	0	0	0
Mental Health Earnings Fund	6,344,157	9,381,091	8,900,006	8,684,435
Habilitation Center Room and Board Fund	2,773,288	3,416,027	3,416,027	3,416,027
Tax Amnesty Fund	15,848,962	0	0	0
Inmate Fund	2,763,779	3,513,779	3,513,779	3,513,779
Healthy Families Trust Fund	2,269,327	2,269,327	2,269,327	2,216,865
Mental Health Trust Fund	851,573	2,377,574	2,377,574	2,377,574
DMH Local Tax Matching Fund	12,724,029	20,853,106	17,433,106	17,470,106
Developmental Disabilities Waiting List				
Equity Trust Fund	1,100	10,000	10,000	10,000
Total Full-time Equivalent Employees	7,335.80	7,236.48	7,293.07	7,259.57
General Revenue Fund	5,308.26	4,833.83	4,901.42	4,886.42
Federal Funds	1,978.21	2,337.15	2,337.15	2,318.65
Other Funds	49.33	65.50	54.50	54.50

* Does not include \$5,060,859 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Mental Health supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$2.1 billion for the Department of Mental Health. The primary focus for the department is to provide effective, consumer-friendly services to Missourians challenged by substance use disorders, mental illnesses, and developmental disabilities. Core services provided by the Department of Mental Health include:

- Offering prevention, evaluation, treatment, and rehabilitation services for individuals requiring public mental health services. One in four Missouri families is affected by mental illness. The department also operates forensic and sexually violent predator programs that protect the public from clients committed to state custody by the courts.
- Improving the lives of persons with developmental disabilities. The department is committed to building partnerships that support individuals with developmental disabilities in meeting their own unique needs. The successful Partnership for Hope Program enables individuals to maintain their independence and avoid more costly institutional placements.
- Providing substance use disorder prevention, education, intervention, and treatment services that have a positive impact on the problems that are associated with addiction – problems that cost the state's economy through loss of productivity, rising health care expenditures, and increased crime.
- Establishing policies, standards, and quality controls for services for Missourians challenged by mental illness, substance use disorder/addiction, and developmental disabilities.

**DEPARTMENT OF MENTAL HEALTH
OFFICE OF THE DIRECTOR**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Office of the Director			
TOTAL	\$ 40,707,129	\$ 54,529,431	\$ 46,829,431
PERSONAL SERVICE			
General Revenue Fund	11,744,364	6,321,423	6,321,423
Federal Funds	954,365	1,342,242	1,772,242
Other Funds	100,717	452,574	452,574
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,261,209	1,336,646	1,336,646
Federal Funds	1,906,001	5,024,800	6,394,800
Other Funds	748,285	1,875,000	1,875,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	222,813	255,000	255,000
Federal Funds	19,612,173	29,696,746	23,196,746
Other Funds	4,157,202	8,225,000	5,225,000
TOTAL			
General Revenue Fund	13,228,386	7,913,069	7,913,069
Federal Funds	22,472,539	36,063,788	31,363,788
Other Funds	5,006,204	10,552,574	7,552,574
Total Full-time Equivalent Employees	349.00	141.64	139.64
General Revenue Fund	321.73	111.39	109.39
Federal Funds	27.27	22.75	22.75
Other Funds	0.00	7.50	7.50

The Office of the Director sets the direction for the Department of Mental Health under the advice of the seven-member Mental Health Commission appointed by the Governor. The Office of the Deputy Director is charged with internal audits, quality improvement, and deaf services. The Office of Public Affairs/Legislative Liaison disseminates information about mental health programs and reviews state and federal legislation. The Division of Administration provides management and fiscal support to the department.

Fiscal Year 2018 Governor's Recommendations

- \$1,800,000 federal funds to address the shortage of mental health professionals in Missouri.
- \$30,000 federal funds for the additional funding necessary to operate programs within the division.
- (\$9,530,000) federal and other funds and (two) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF MENTAL HEALTH
DIVISION OF BEHAVIORAL HEALTH - ALCOHOL AND DRUG ABUSE**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Behavioral Health-Alcohol and Drug Abuse TOTAL	\$ 118,959,265	\$ 144,245,709	\$ 163,243,574
PERSONAL SERVICE			
General Revenue Fund	1,354,208	1,424,010	1,424,010
Federal Funds	1,865,005	1,805,889	1,805,889
Other Funds	254,056	292,859	292,859
EXPENSE AND EQUIPMENT			
General Revenue Fund	20,108	20,729	20,729
Federal Funds	826,800	1,179,665	1,680,459
Other Funds	339,256	341,935	341,935
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	39,743,429	44,792,483	42,577,466
Federal Funds	56,659,057	74,217,780	95,721,725
Other Funds	17,897,346	20,170,359	19,378,502
TOTAL			
General Revenue Fund	41,117,745	46,237,222	44,022,205
Federal Funds	59,350,862	77,203,334	99,208,073
Other Funds	18,490,658	20,805,153	20,013,296
Total Full-time Equivalent Employees	66.23	71.42	67.92
General Revenue Fund	23.66	25.93	25.93
Federal Funds	36.90	38.49	34.99
Other Funds	5.67	7.00	7.00

The Division of Behavioral Health supports alcohol and drug misuse prevention, treatment and recovery services for individuals and families struggling with substance use and compulsive gambling disorders. Services are delivered through contracts with community-based agencies across the state. Treatment services include detoxification, outpatient treatment, and residential support when necessary. There are treatment programs that serve the general population and provide specialized programs for women with dependent children, adolescents, and individuals needing specialized treatment for opioid use disorders. Individuals prioritized for services include pregnant women, IV drug users, and high-risk referrals from the Department of Corrections. Evidence-based substance use prevention programs focus on reducing underage drinking and delaying the first use of drugs among children.

Administrative responsibilities include fiscal oversight, service monitoring, claims processing, technical assistance, training, establishing standards, conducting research, disseminating public information, and authorizing services. Missouri's treatment, prevention, and recovery services receive a significant amount of federal financial support from the Substance Abuse Prevention and Treatment Block Grant funded through the Substance Abuse and Mental Health Services Administration.

Fiscal Year 2018 Governor's Recommendations

- \$10,506,851 federal funds for the Certified Community Behavioral Health Clinic Prospective Payment System Demonstration to enhance behavioral health services and implement a new reimbursement model.
- \$10,015,898 federal funds for the State Targeted Response to the Opioid Crisis grant to reduce opioid-related deaths through prevention, treatment, and recovery activities.
- \$2,637,753 for anticipated utilization increases, including \$942,733 general revenue.
- \$1,000,000 federal funds for the Prevent Prescription Drug/Opioid Overdose-Related Deaths grant to reduce the number of prescription drug and opioid overdose-related deaths among individuals 18 years and older.
- \$593,645 federal funds to address the change in the Medicaid federal participation percentage.
- \$103,525 federal and other funds to allow Cape Girardeau County to provide additional services.
- (\$5,859,807) and (3.5) staff core reduction from the Fiscal Year 2017 appropriation level, including (\$3,157,750) general revenue.

**DEPARTMENT OF MENTAL HEALTH
DIVISION OF BEHAVIORAL HEALTH - COMPREHENSIVE PSYCHIATRIC SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Behavioral Health-Comprehensive Psychiatric Services			
TOTAL	\$ 562,528,266	\$ 659,326,286	\$ 755,695,339
PERSONAL SERVICE			
General Revenue Fund	133,642,009	140,039,064	142,692,923
Federal Funds	5,684,556	6,432,694	6,432,694
Other Funds	128,594	223,944	159,622
EXPENSE AND EQUIPMENT			
General Revenue Fund	54,140,086	59,875,640	59,213,868
Federal Funds	6,300,738	11,124,571	12,360,398
Other Funds	1,079,895	1,988,409	1,571,646
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	148,400,712	166,566,236	157,719,489
Federal Funds	208,664,253	270,191,900	373,607,977
Other Funds	4,487,423	2,883,828	1,936,722
TOTAL			
General Revenue Fund	336,182,807	366,480,940	359,626,280
Federal Funds	220,649,547	287,749,165	392,401,069
Other Funds	5,695,912	5,096,181	3,667,990
Total Full-time Equivalent Employees	3,795.24	3,783.48	3,827.07
General Revenue Fund	3,619.80	3,615.43	3,670.02
Federal Funds	131.78	117.05	117.05
Other Funds	43.66	51.00	40.00

The Division of Behavioral Health is charged with delivering psychiatric services to individuals with mental illness throughout the State of Missouri. Services are targeted primarily to persons with severe and persistent mental illness, children and youth with serious emotional disturbances, and people with mental illness who have been involved in the criminal justice system. Priorities within these target groups are individuals in crisis, people who are homeless, those recently discharged from inpatient care, individuals with complex medical conditions, and individuals on probation or parole.

Each of Missouri's 25 service areas has a community mental health center that is designated as the division's administrative agent and provides psychiatric services to individuals that meet admission criteria. These administrative agents have historically served as the primary entry and exit points for state-funded mental health services. The agents are responsible for providing services to both adults and children in their designated areas and for providing follow-up services to individuals released from state-operated inpatient hospitals.

The division operates six adult inpatient facilities and one children's psychiatric hospital. It also operates a secure inpatient program for sexually violent predators committed to state custody by the courts.

**DEPARTMENT OF MENTAL HEALTH
DIVISION OF BEHAVIORAL HEALTH - COMPREHENSIVE PSYCHIATRIC SERVICES**

Fiscal Year 2018 Governor's Recommendations

- \$105,045,393 federal funds for the Certified Community Behavioral Health Clinic Prospective Payment System Demonstration to enhance behavioral health services and implement a new reimbursement model.
- \$11,125,663 for anticipated utilization increases, including \$3,976,312 general revenue.
- \$3,262,642 federal funds to address the change in the Medicaid federal participation percentage.
- \$2,578,791 federal funds for additional funding necessary to operate programs within the division.
- \$2,461,929 and 41.73 staff to accommodate population increases within the Sex Offender Rehabilitation and Treatment Services Program at Southeast Missouri Mental Health Center.
- \$1,233,565 and 22 staff for a group home for the Sex Offender Rehabilitation and Treatment Services Program at Southeast Missouri Mental Health Center.
- \$350,284 for increased costs of health care services in state operated facilities.
- \$180,339 for increased food costs at state institutions.
- \$97,307 and 2.68 staff to fund the remaining two months for the step-down unit at the Sex Offender Rehabilitation and Treatment Services Program at Fulton State Hospital.
- \$49,422 and 1.18 staff to fund the remaining two months for Sex Offender Rehabilitation and Treatment Services Program transitional services at Southeast Missouri Mental Health Center.
- \$11,000 for increased reimbursement of legal expenses in St. Francois County.
- \$218,605 transferred from the Office of Administration for fringe savings due to privatizing a state-operated facility.
- (\$29,880,322) and (24) staff core reduction from the Fiscal Year 2017 appropriation level, including (\$15,067,858) general revenue.
- (\$225,000) transferred to the Department of Public Safety for Crisis Intervention Trainings.
- (\$140,565) core reduction for one-time expenditures.

**DEPARTMENT OF MENTAL HEALTH
DIVISION OF DEVELOPMENTAL DISABILITIES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Developmental Disabilities			
TOTAL	\$ 908,557,937	\$ 1,134,050,331	\$ 1,111,289,925
PERSONAL SERVICE			
General Revenue Fund	41,666,094	43,726,146	43,726,146
Federal Funds	54,974,092	64,440,592	64,440,592
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,754,653	3,922,830	3,965,717
Federal Funds	3,910,893	5,200,044	5,200,044
Other Funds	2,773,288	3,416,027	3,416,027
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	278,560,448	348,105,793	337,894,346
Federal Funds	500,599,913	648,500,290	637,908,444
Other Funds	22,318,556	16,738,609	14,738,609
TOTAL			
General Revenue Fund	323,981,195	395,754,769	385,586,209
Federal Funds	559,484,898	718,140,926	707,549,080
Other Funds	25,091,844	20,154,636	18,154,636
Total Full-time Equivalent Employees	3,125.33	3,239.94	3,224.94
General Revenue Fund	1,343.07	1,081.08	1,081.08
Federal Funds	1,782.26	2,158.86	2,143.86

The Division of Developmental Disabilities provides service coordination and support services to individuals with developmental and intellectual disabilities (ID/DD) which allow them to live as independently as possible and stay connected with their communities. The Division provides these services through contracts with public and private agencies as well as with state-operated facilities. Through this provider network, the Division provides residential services for individuals who need a support structure ranging from complex medical and behavior settings to independent living. The Division also provides support services for individuals who live independently or with family, and other services that provide training, address behavior issues, and provide therapies. Funding for these services is predominately matched by Medicaid through four Medicaid Waivers for the ID/DD population. The Division also provides an array of support and diagnostic services for individuals with autism, also funded by state general revenue. Division regional offices are the entry point for all individuals applying for services. These offices determine eligibility, connect an individual with a service coordinator, provide quality oversight, manage the provider network, and approve service plans.

Fiscal Year 2018 Governor's Recommendations

- \$33,750,755 to provide critical community-based services for individuals experiencing a crisis or emergency situation, to transition individuals from the Children's Division and nursing homes, and continue to eliminate the Medicaid-eligible in-home wait list, including \$13,326,150 general revenue.
- \$8,877,813 federal funds to address the change in the Medicaid federal participation percentage.
- \$180,000 federal funds to enhance employment services for individuals with intellectual and developmental disabilities.
- \$42,887 for the increased costs of health care services in state operated facilities.
- (\$65,611,861) and (15) staff core reduction from the Fiscal Year 2017 appropriation level, including (\$23,537,597) general revenue.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Health Administration	\$ 8,589,514	\$ 11,287,182	\$ 11,295,358	\$ 11,220,316
Division of Community and Public Health	322,591,210	355,298,719	355,358,622	351,659,124
State Public Health Laboratory	9,100,070	11,418,373	11,390,282	11,311,553
Division of Senior and Disability Services	877,329,119	937,492,054	1,023,263,838	887,106,050
Division of Regulation and Licensure	24,268,502	25,955,578	26,028,544	25,955,578
DEPARTMENTAL TOTAL	\$ 1,241,878,415	\$ 1,341,451,906 *	\$ 1,427,336,644	\$ 1,287,252,621
General Revenue Fund	329,305,790	375,836,997	408,309,225	347,320,097
Federal Funds	891,451,689	944,650,565	998,088,244	919,000,000
Nursing Facility Federal Reimbursement Allowance Fund	622,600	725,000	725,000	725,000
Nursing Facility Quality of Care Fund	1,685,301	2,341,562	2,346,322	2,341,562
Health Initiatives Fund	1,606,354	1,678,834	1,680,449	1,678,834
Health Access Incentive Fund	755,791	787,837	787,837	787,837
Missouri Public Health Services Fund	6,519,337	8,803,939	8,772,222	8,772,119
Tax Amnesty Fund	5,279,487	0	0	0
Insurance Dedicated Fund	1,000,000	1,000,000	1,000,000	1,000,000
Safe Drinking Water Fund	396,257	434,532	434,532	434,532
Hazardous Waste Fund	243,707	275,665	275,665	275,665
Early Childhood Development, Education and Care Fund	264,564	277,064	277,225	277,064
Other Funds	2,747,538	4,639,911	4,639,923	4,639,911
Total Full-time Equivalent Employees	1,761.24	1,760.04	1,762.04	1,753.04
General Revenue Fund	641.16	654.57	656.57	654.57
Federal Funds	1,026.32	976.95	976.95	969.95
Other Funds	93.76	128.52	128.52	128.52

* Does not include \$38,580,753 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Health and Senior Services supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$1.3 billion for the Department of Health and Senior Services. The department works to safeguard the public health, safety, and well-being of all Missourians. The primary responsibilities of the department include:

- Preparing for and responding to disasters and other health-related emergencies;
- Providing in-home and community-based programs for Missouri seniors and adults with disabilities that allow them to remain in their homes and communities;
- Preventing and controlling communicable diseases and detecting genetic diseases;
- Preventing and reducing the burden of chronic diseases;
- Protecting Missourians through regulation and inspection of facilities, including hospitals, nursing homes, and child and adult day care programs;
- Participating in efforts to create more primary and rural providers so that all Missourians have access to health care;
- Protecting seniors and adults with disabilities through the investigation of hotline reports alleging abuse, neglect, or financial exploitation;
- Protecting vulnerable persons through background screenings of those who care for children, seniors, and persons with disabilities; and
- Ensuring food safety through facility inspections, education, surveillance, outbreak investigations, and activities tied to food recalls.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
HEALTH ADMINISTRATION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Health Administration TOTAL	\$ 8,589,514	\$ 11,287,182	\$ 11,220,316
PERSONAL SERVICE			
General Revenue Fund	622,740	654,838	654,838
Federal Funds	3,575,485	3,784,736	3,784,736
Other Funds	62,937	237,194	237,194
EXPENSE AND EQUIPMENT			
General Revenue Fund	146,861	151,405	151,405
Federal Funds	1,997,236	2,530,916	2,536,322
Other Funds	417,292	803,283	803,283
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	1,766,963	2,811,401	2,739,129
Other Funds	0	313,409	313,409
TOTAL			
General Revenue Fund	769,601	806,243	806,243
Federal Funds	7,339,684	9,127,053	9,060,187
Other Funds	480,229	1,353,886	1,353,886
Total Full-time Equivalent Employees	98.55	103.93	103.93
General Revenue Fund	13.38	27.63	27.63
Federal Funds	84.20	74.54	74.54
Other Funds	0.97	1.76	1.76

The Director's Office and the Division of Administration perform the coordination and control functions necessary to ensure efficient, cost-effective use of state resources for all Missouri public health and senior services programs. Responsibilities and services include budgeting, legislative review, accounting, expenditure control, purchasing, contract and grant administration, general office support, legal services, public affairs, strategic planning, and personnel management and training.

Fiscal Year 2018 Governor's Recommendations

- (\$66,866) federal funds transferred to the Office of Administration for leased space.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
DIVISION OF COMMUNITY AND PUBLIC HEALTH**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Community and Public Health			
TOTAL	\$ 322,591,210	\$ 355,298,719	\$ 351,659,124
PERSONAL SERVICE			
General Revenue Fund	6,248,750	6,609,543	6,609,543
Federal Funds	17,469,689	18,770,887	18,770,887
Other Funds	1,820,985	2,327,485	2,327,485
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,896,555	2,887,501	1,954,252
Federal Funds	9,150,452	12,026,530	10,856,684
Other Funds	1,034,547	1,398,170	1,376,161
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	10,540,518	11,683,587	10,566,836
Federal Funds	269,522,316	293,871,665	293,451,916
Other Funds	4,907,398	5,723,351	5,745,360
TOTAL			
General Revenue Fund	18,685,823	21,180,631	19,130,631
Federal Funds	296,142,457	324,669,082	323,079,487
Other Funds	7,762,930	9,449,006	9,449,006
Total Full-time Equivalent Employees	575.25	606.83	599.83
General Revenue Fund	149.44	141.23	141.23
Federal Funds	381.05	402.48	395.48
Other Funds	44.76	63.12	63.12

The Division of Community and Public Health, in partnership with 115 local public health agencies, is responsible for providing an effective and responsive public health system in Missouri in order to promote health, prevent disease, and protect all persons living in or traveling through the state. The division addresses this mission through a variety of actions, including monitoring and epidemiological services for environmentally-induced conditions and communicable and zoonotic diseases. Additionally, diagnostic and treatment services for tuberculosis, HIV/AIDS, and sexually transmitted diseases are provided in collaboration with local public health agencies and other clinical partners.

Public health functions include the collection, analysis, and dissemination of data that identify the current health status, emerging health problems, and the unmet health needs of Missourians. Issuance of birth and death certificate copies and maintenance of documentation of marriages and dissolutions are managed through the division. The health needs of women and minority populations in the state are addressed through the Office on Women's Health and the Office of Minority Health. The division reduces the risk of disease and illness in Missouri by implementing and assuring good sanitation and safety practices in commercial lodging establishments, on-site sewage systems, and lead remediators. The division also administers programs for maternal, child, and family health including children with special health care needs, nutritional health, chronic disease prevention, health promotion, head injury rehabilitation, genetic disorders, and community health improvement. Finally, the Office of Primary Care and Rural Health encourages nurses, doctors, and dentists to locate in medically underserved areas of the state.

Fiscal Year 2018 Governor's Recommendations

- \$100,000 to implement voter identification requirements pursuant to HB 1631 (2016).
- (\$3,639,595) and (seven) staff core reduction from the Fiscal Year 2017 appropriation level, including (\$2,050,000) general revenue.
- (\$100,000) core reduction for one-time expenditures.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
STATE PUBLIC HEALTH LABORATORY**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
State Public Health Laboratory			
TOTAL	\$ 9,100,070	\$ 11,418,373	\$ 11,311,553
PERSONAL SERVICE			
General Revenue Fund	1,546,110	1,625,911	1,625,911
Federal Funds	717,667	874,938	874,938
Other Funds	1,062,406	1,438,150	1,438,150
EXPENSE AND EQUIPMENT			
General Revenue Fund	481,855	495,759	496,641
Federal Funds	1,263,799	1,327,250	1,327,250
Other Funds	4,028,233	5,580,365	5,548,545
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	76,000	118
TOTAL			
General Revenue Fund	2,027,965	2,197,670	2,122,670
Federal Funds	1,981,466	2,202,188	2,202,188
Other Funds	5,090,639	7,018,515	6,986,695
Total Full-time Equivalent Employees	83.21	98.01	98.01
General Revenue Fund	38.29	46.67	46.67
Federal Funds	17.40	16.70	16.70
Other Funds	27.52	34.64	34.64

The State Public Health Laboratory analyzes samples from newborns for metabolic conditions, conducts tests of human samples for suspected disease agents, and tests materials suspected in biological, chemical, and radiological terrorism. Each year nearly 400,000 specimens are submitted to the laboratory for testing and examination. The laboratory performs tests for communicable and infectious diseases including the following: tuberculosis, HIV/AIDS, sexually transmitted diseases, rabies, immunizable diseases, and others. The laboratory also tests public and private water supplies, performs screenings for childhood lead poisoning, and examines milk and food suspected of causing disease outbreaks.

Fiscal Year 2018 Governor's Recommendations

- (\$75,000) core reduction from the Fiscal Year 2017 appropriation level.
- (\$31,820) Missouri Public Health Services Fund core reduction for one-time expenditures.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
DIVISION OF SENIOR AND DISABILITY SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Senior and Disability Services			
TOTAL	\$ 877,329,119	\$ 937,492,054	\$ 887,106,050
PERSONAL SERVICE			
General Revenue Fund	9,157,872	9,063,756	9,063,756
Federal Funds	10,685,772	10,421,233	10,421,233
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,092,143	1,003,489	1,002,989
Federal Funds	1,677,562	1,764,660	1,764,660
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	288,792,112	332,315,493	305,924,093
Federal Funds	560,572,142	582,860,465	558,866,361
Other Funds	5,351,516	62,958	62,958
TOTAL			
General Revenue Fund	299,042,127	342,382,738	315,990,838
Federal Funds	572,935,476	595,046,358	571,052,254
Other Funds	5,351,516	62,958	62,958
Total Full-time Equivalent Employees	547.98	488.31	488.31
General Revenue Fund	256.16	255.92	255.92
Federal Funds	291.82	232.39	232.39

The Division of Senior and Disability Services is mandated to investigate allegations of abuse, neglect, and financial exploitation of vulnerable seniors and individuals with disabilities based on reports received at a state-wide, toll-free hotline. Designated as the State Unit on Aging, the division is responsible for assuring that a comprehensive, effective, and coordinated home and community-based long-term care delivery system is available for the elderly and individuals with disabilities. The division informs individuals considering long-term care about their options for home care and provides appropriate referrals; authorizes Medicaid funded home and community-based services; provides care plan management for home care service recipients; and monitors the quality of services provided to participants. The State Long-Term Care Ombudsman Program advocates for the rights of residents in licensed long-term care facilities and educates volunteers to assist residents in facilities across the state. Funding for the Area Agencies on Aging (AAAs) helps provide seniors the services they need to continue living in their communities, including congregate and home-delivered meals, transportation, legal services, health promotion, and other support services authorized under the Older Americans Act. The division also provides guidance, oversight, and monitoring of the programs and services offered by the AAAs. These flexible service delivery systems help empower thousands of elderly individuals and adults with disabilities to live dignified, independent lives in their own homes and communities.

Fiscal Year 2018 Governor's Recommendations

- \$67,549,857 to meet increases in demand for the MO HealthNet Home and Community Based Services Program, including \$24,142,319 general revenue.
- \$38,580,752 for increased MO HealthNet Home and Community Based Services Program costs, including \$13,788,761 general revenue.
- \$8,072,718 federal funds to address the change in the Medicaid federal participation percentage.
- (\$164,589,331) core reduction from the Fiscal Year 2017 appropriation level, including (\$64,322,980) general revenue.

**DEPARTMENT OF HEALTH AND SENIOR SERVICES
DIVISION OF REGULATION AND LICENSURE**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Division of Regulation and Licensure			
TOTAL	\$ 24,268,502	\$ 25,955,578	\$ 25,955,578
PERSONAL SERVICE			
General Revenue Fund	8,047,870	8,514,653	8,514,653
Federal Funds	11,611,107	11,936,185	11,936,185
Other Funds	901,130	1,250,870	1,250,870
EXPENSE AND EQUIPMENT			
General Revenue Fund	732,404	755,062	755,062
Federal Funds	1,068,343	1,225,433	1,225,433
Other Funds	185,441	270,117	270,117
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	373,156	444,266	444,266
Other Funds	1,349,051	1,558,992	1,558,992
TOTAL			
General Revenue Fund	8,780,274	9,269,715	9,269,715
Federal Funds	13,052,606	13,605,884	13,605,884
Other Funds	2,435,622	3,079,979	3,079,979
Total Full-time Equivalent Employees	456.25	462.96	462.96
General Revenue Fund	183.89	183.12	183.12
Federal Funds	251.85	250.84	250.84
Other Funds	20.51	29.00	29.00

The Division of Regulation and Licensure is responsible for assuring that the care and services provided by hospitals, ambulatory surgical centers, other health care facilities, home health agencies, hospices, adult day care providers, skilled nursing facilities, intermediate care facilities (including those for the intellectually disabled), assisted living facilities, residential care facilities, child care providers, ambulances, emergency medical technicians, and those who prescribe or dispense controlled substances meet state and/or federal standards. The division fulfills its regulatory responsibilities through license issuance, inspections and surveys, compliance monitoring visits, complaint investigations, enforcement activities, and training. For providers that are certified for Medicare and Medicaid, the division performs various functions on behalf of the federal Centers for Medicare and Medicaid Services. The division also includes the Family Care Safety Registry, which registers caregivers and provides background screenings to families and employers who want to hire a caregiver for children, the elderly, and people with disabilities. The Board of Nursing Home Administrators and the Missouri Health Facilities Review Committee are also part of the division. The board licenses, tests, and provides oversight for nursing home administrators. The committee focuses on health care cost containment through a certificate of need process.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF SOCIAL SERVICES

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Office of the Director	\$ 18,925,848	\$ 29,468,107	\$ 29,656,879	\$ 29,368,107
Family Support Division	573,142,321	672,282,942	678,392,224	649,962,320
Children's Division	545,007,244	603,986,391	599,904,689	585,827,416
Division of Youth Services	56,623,699	61,941,349	61,745,352	61,483,748
MO HealthNet Division	7,199,185,240	7,857,231,413	8,414,126,474	8,271,390,034
DEPARTMENTAL TOTAL	\$ 8,392,884,352	\$ 9,224,910,202 *	\$ 9,783,825,618	\$ 9,598,031,625
General Revenue Fund	1,737,243,665	1,788,517,619	2,103,095,550	1,927,008,065
Title XIX - Federal Funds	3,395,532,549	3,859,421,161	4,059,532,403	4,065,575,805
Temporary Assistance for Needy Families - Federal Funds	138,177,337	191,853,040	191,853,040	162,403,040
DSS - Federal and Other Funds	676,878,571	804,120,195	803,750,206	799,370,375
Division of Youth Services Child Benefits Fund	736	200,000	200,000	200,000
Federal Stimulus-Social Services Fund	21,885,935	40,000,000	40,000,000	35,000,000
Uncompensated Care Fund	92,794,914	92,794,914	92,794,914	84,898,165
Pharmacy Rebates Fund	206,022,125	234,707,650	255,538,792	253,845,912
Third Party Liability Collections Fund	16,232,141	16,745,425	17,174,287	16,042,774
DSS Intergovernmental Transfer Fund	10,270,435	38,948,801	23,348,801	23,348,801
Federal Reimbursement Allowance Fund	1,380,153,738	1,410,692,113	1,420,818,376	1,417,387,413
Pharmacy Reimbursement Allowance Fund	157,849,040	171,014,227	174,883,781	173,189,120
Medicaid Managed Care Organization Reimbursement Allowance Fund	3,926	5,000	0	0
Family Services Donations Fund	8,888	143,994	143,994	143,994
Child Support Enforcement Fund	6,874,825	4,869,354	4,869,354	4,937,755
Nursing Facility Reimbursement Allowance Fund	329,469,265	335,881,325	359,957,138	360,493,665
Nursing Facility Quality of Care Fund	91,116	96,313	96,313	96,313
Health Initiatives Fund	24,768,385	28,361,125	28,361,125	28,636,783
Gaming Commission Fund	428,835	500,000	500,000	500,000
Ground Emergency Medical Transportation Fund	0	0	0	30,925,852
Tax Amnesty Fund	13,427,692	0	0	0
DSS Administrative Trust Fund	1,011,902	1,204,466	1,204,466	1,204,466
DSS Educational Improvement Fund	6,226,628	7,401,341	7,090,841	7,090,841
Blind Pension Fund	30,844,395	34,750,906	35,203,216	35,203,216
Healthy Families Trust Fund	49,710,324	57,984,660	57,984,660	60,745,741
Long Term Support UPL Fund	3,674,502	4,659,096	4,659,096	3,913,804
Life Sciences Research Trust Fund	30,713,934	32,000,000	32,000,000	32,780,547
Youth Services Products Fund	0	5,000	5,000	5,000
Missouri Rx Plan Fund	7,169,507	7,046,680	7,046,680	8,146,680
Youth Services Treatment Fund	0	999	999	999
Early Childhood Development, Education and Care Fund	8,626,764	7,632,793	7,632,793	7,632,793
Premium Fund	10,880,502	10,880,502	10,880,502	14,516,411
Blindness Education, Screening and Treatment Program Fund	349,000	349,000	349,000	349,000
Alternative Care Trust Fund	12,509,806	16,500,000	16,500,000	16,500,000
Ambulance Service Reimbursement Allowance Fund	22,905,040	24,283,916	24,827,974	24,589,708
Recovery Audit and Compliance Fund	97,939	1,282,087	1,282,087	1,282,087
Foster Care and Adoptive Parents Recruitment and Retention Fund	0	5,000	5,000	15,000
Medicaid Provider Enrollment Fund	49,991	51,500	235,230	51,500
Total Full-time Equivalent Employees	6,941.97	6,862.11	6,865.11	6,798.11
General Revenue Fund	2,071.31	1,879.17	1,879.17	1,867.61
Federal Funds	4,528.58	4,623.01	4,623.01	4,569.57
Other Funds	342.08	359.93	362.93	360.93

* Does not include \$146,122,583 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Social Services supplemental appropriations.

DEPARTMENT OF SOCIAL SERVICES

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$9.6 billion for the Department of Social Services. The core functions provided by the Department of Social Services include:

- Protecting the welfare of Missouri's children through foster care, child abuse and neglect investigations, children's treatment, purchase of child care, and adoption assistance.
- Administering income support programs and many of the state's child support enforcement functions, such as, Temporary Assistance for Needy Families, Food Stamps, Energy Assistance, Blind Pension, Supplemental Aid to the Blind, Domestic Violence, and Medicaid eligibility.
- Providing case management, community care, and aftercare to youth committed to the state's custody for various crimes. The Juvenile Court Diversion Program works with local communities to help prevent juvenile crime and provide treatment for youth in their own communities.
- Administering health care delivery to low-income Missouri citizens, including the elderly, people with disabilities, children, and pregnant women. The Medicaid Program is a federal-state partnership to meet the health care needs of those who cannot pay for their own care. While states must meet certain minimum criteria, each state can establish eligibility guidelines, benefit packages, and provider payment rates for its Medicaid Program.

**DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE DIRECTOR**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Office of the Director	\$ 306,421	\$ 316,926	\$ 316,926
Federal Grants and Donations	1,171,639	4,477,551	4,477,551
Human Resource Center	489,768	508,974	508,974
Missouri Medicaid Audit and Compliance	2,979,442	3,984,463	3,984,463
Recovery Audit and Compliance	97,939	1,200,000	1,200,000
Finance and Administrative Services	6,051,516	8,239,348	8,239,348
Revenue Maximization	744,254	3,250,000	3,250,000
Neglected and Delinquent Children	1,356,530	1,504,000	1,404,000
Legal Services	5,728,339	5,986,845	5,986,845
TOTAL	\$ 18,925,848	\$ 29,468,107	\$ 29,368,107
PERSONAL SERVICE			
General Revenue Fund	4,647,413	4,909,142	4,909,142
Federal Funds	5,900,091	6,167,582	6,167,581
Other Funds	818,707	834,471	834,470
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,011,262	1,279,875	1,279,875
Federal Funds	3,665,082	9,310,137	9,310,137
Other Funds	1,215,609	2,623,993	2,623,993
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,357,891	1,504,000	1,404,000
Federal Funds	309,793	2,804,922	2,804,923
Other Funds	0	33,985	33,986
TOTAL			
General Revenue Fund	7,016,566	7,693,017	7,593,017
Federal Funds	9,874,966	18,282,641	18,282,641
Other Funds	2,034,316	3,492,449	3,492,449
Total Full-time Equivalent Employees	265.00	284.79	277.79
General Revenue Fund	106.80	128.22	124.72
Federal Funds	139.12	138.22	134.72
Other Funds	19.08	18.35	18.35

Office of the Director – The Office of the Director includes the director, the director's staff, the Human Resource Center (HRC), and the Missouri Medicaid Audit and Compliance Unit (MMAC). The director provides leadership for nearly 7,000 employees and the divisions of the Department of Social Services. The HRC guides the department's human resource management program, providing leadership, direction and coordination of related services and support to all divisions. The MMAC screens and enrolls Medicaid providers. The division also ensures Medicaid provider payments are in compliance with state and federal requirements, thereby helping to ensure the efficiency of the Medicaid Program.

Division of Finance and Administrative Services – The Division of Finance and Administrative Services provides centralized financial and administrative support to all divisions. Financial related functions include audit support and contract compliance, budgeting, expenditure review and control, federal grants management and reporting, cash management, managing IV-E eligibility and IV-E redeterminations for youth in state custody, implementation of the department's fiscal policies, and responding to changes in federal and state fiscal policy. Administrative support services include procurement, accounts payables and receivables, payroll management of child care subsidy payments, regional office support functions, emergency management, telecommunications, warehouse/inventory coordination and distribution, fleet management, lease and location management for Social Services facilities, and research and data management.

**DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE DIRECTOR**

Division of Legal Services – The Division of Legal Services provides comprehensive legal support to the department and all its divisions. The division's responsibilities include due process hearings for public assistance and child support recipient appeals, legal representation of the department in juvenile and circuit courts, coordinating with the Missouri Attorney General's Office, investigating fraud and abuse of public assistance programs, and conducting background investigations on department employees. The division also includes the State Technical Assistance Team which is responsible for assisting in investigations of child abuse, neglect, exploitation, child fatality, and management and training of Missouri's Child Fatality Review Program. The division also coordinates the department's compliance with applicable federal and state privacy laws, such as the Health Insurance Portability and Accountability Act.

Fiscal Year 2018 Governor's Recommendations

- (\$100,000) and (seven) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF SOCIAL SERVICES
FAMILY SUPPORT DIVISION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Family Support Administration	\$ 73,320,630	\$ 95,701,021	\$ 95,376,021
Income Maintenance Field Staff and Operations	78,006,736	82,336,089	82,336,089
Family Support Staff Training	205,039	247,667	247,667
Community Partnerships	8,439,608	8,236,127	8,236,127
Missouri Mentoring Partnership	1,214,809	1,443,700	1,443,700
Adolescent Program	600,000	800,000	800,000
Family Nutrition and Employment Training Program	11,512,150	12,981,261	19,843,755
Health Care Industry Training	0	3,000,000	3,000,000
Temporary Assistance for Needy Families (TANF)	103,081,887	122,614,553	90,364,553
Alternatives to Abortion	0	0	6,458,561
Healthy Marriage Promotion	0	1,500,000	0
Adult Supplementation	28,838	33,525	25,525
Supplemental Nursing Care	25,241,118	25,620,885	25,620,885
Blind Pension and Supplemental Aid to the Blind	33,638,952	37,984,856	39,387,166
Refugee Assistance	2,158,498	3,806,226	3,806,226
Community Services Block Grant	20,555,467	23,637,000	23,637,000
Emergency Solutions Program	2,451,647	4,130,000	4,130,000
Food Distribution Programs	1,342,537	1,500,000	1,500,000
Energy Assistance	72,938,017	81,547,867	77,547,867
Assistance for Victims of Sexual Assault	472,422	500,000	1,000,000
Emergency Shelter Grants	532,441	562,137	562,137
Domestic Violence	8,222,767	8,466,524	8,716,524
Blind Administration	3,924,595	4,738,658	4,738,658
Services for the Visually Impaired	5,746,740	8,304,901	8,304,901
Business Enterprises	34,449,135	35,000,000	35,000,000
Child Support Field Staff and Operations	28,792,038	33,562,660	33,851,673
Child Support Distributions	56,266,250	74,027,285	74,027,285
TOTAL	\$ 573,142,321	\$ 672,282,942	\$ 649,962,320
PERSONAL SERVICE			
General Revenue Fund	15,518,795	20,165,892	19,988,358
Federal Funds	73,517,008	78,230,919	77,267,163
Other Funds	6,208,188	3,655,350	3,528,540
EXPENSE AND EQUIPMENT			
General Revenue Fund	21,201,765	24,738,717	19,627,552
Federal Funds	107,499,344	135,843,005	139,840,105
Other Funds	2,115,313	2,422,990	2,634,148
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	43,365,442	44,822,059	49,649,231
Federal Funds	272,529,630	326,809,397	301,396,247
Other Funds	31,186,836	35,594,613	36,030,976
TOTAL			
General Revenue Fund	80,086,002	89,726,668	89,265,141
Federal Funds	453,545,982	540,883,321	518,503,515
Other Funds	39,510,337	41,672,953	42,193,664
Total Full-time Equivalent Employees	2,925.25	3,016.12	2,973.12
General Revenue Fund	480.09	485.34	485.34
Federal Funds	2,260.95	2,325.82	2,282.82
Other Funds	184.21	204.96	204.96

Administrative Services/Eligibility and Enrollment System – Management, coordination, direction, and general customer support are provided for all Family Support Division programs. The division director and staff monitor the efficiency and effectiveness of and provide policy direction for Income Maintenance, Child Support, and Visually Impaired programs. Administrative Services also provides operational services, human resource support, and systems support to Income Maintenance and Child Support field staff. The division manages Missouri's eligibility and enrollment system for income maintenance and Medicaid services.

DEPARTMENT OF SOCIAL SERVICES FAMILY SUPPORT DIVISION

Income Maintenance Field Staff and Operations – Staff provides intake services, information and referral, and eligibility determinations for applicants of services provided by the department. Funds in these sections support communication, including the Family Support Division's merit staffed call center operation and technology, along with the salaries, general operating expenses, and training for Income Maintenance eligibility specialists, administrative and supervisory staff, and clerical support positions in Family Support offices.

Family Support Staff Training – This funding provides training for income maintenance and child support enforcement staff as well as community stakeholders and partners. Proper training is key to ensuring program compliance and developing effective staff.

Community Partnerships – Twenty organizations partner with the department and other state agencies to plan, develop, finance, and monitor strategies to achieve specific core results. These core results include safe and healthy children and families, children ready to enter and succeed in school, youth ready to enter the workforce and become productive citizens, and parents working.

Missouri Mentoring Partnership – The program provides intervention programs and offers worksite and teen parent mentoring to youth at risk of entering the welfare system or the justice system.

Adolescent Program – Federal dollars are utilized to provide mentoring to adolescent boys and girls to prevent and reduce the incidence of out-of-wedlock pregnancies and encourage the formation and maintenance of two-parent families.

Food Nutrition and Employment Training Program – The department partners with the University of Missouri to deliver information and training on nutrition, physical activity, food safety and food budgeting education for food stamp eligible individuals, especially women; people with children in the home; at risk, pregnant, and parenting teens; youth; and seniors. SkillUP, the Missouri employment training program provides Food Stamp participants opportunities to gain skills, training, or experience that will improve their employment prospects and assists them to obtain and retain sustaining employment reducing their reliance on Food Stamp benefits.

Temporary Assistance for Needy Families (TANF) – TANF is a program designed to provide temporary assistance/relief to families to promote self-sufficiency so parents do not remain dependent on government payments and children do not grow up in poverty. TANF is designed to be a temporary assistance which, coupled with a myriad of other support services, enables parents to find and retain employment; thereby, enabling them to support their families without government assistance.

Adult Supplementation – The federal government assumed responsibility for Old Age Assistance, Aid to the Permanently and Totally Disabled, and Aid to the Blind programs in January 1974 when it created the Supplemental Security Income (SSI) Program. Recipients who are eligible for SSI, but who receive smaller benefits than their December 1973 payments, receive payments from the state equal to the difference. Recipients who are not eligible for SSI, but who received payments under one of the earlier programs, receive payments from the state equal to the amount they received in December 1973. No new cases can be added to this program and consequently the caseload will decline over time.

Supplemental Nursing Care – This state-funded program provides monthly cash benefits to eligible persons in residential care facilities, assisted living facilities, non-Medicaid certified areas of intermediate care facilities, and skilled nursing facilities for use in paying for their care. These grants help low-income seniors and persons with disabilities afford adequate care and remain in a less restrictive environment for long term care. Persons eligible for these benefits also receive a personal needs monthly allowance.

Blind Pension and Supplemental Aid to the Blind – The Blind Pension program aids the blind who do not qualify for Supplemental Aid to the Blind and who do not own property – excluding homes – worth more than \$20,000. Supplemental Aid to the Blind pays benefits to those blind persons who meet certain requirements with reasonable subsistence in accordance with standards developed by the Family Support Division. An earmarked state property tax provides revenue to the Blind Pension Fund.

Community Services Block Grant (CSBG), Emergency Solutions Grants, and Refugee Assistance – CSBG funds are used to address and reduce poverty conditions such as: unemployment, inadequate education, malnutrition, inadequate housing, unmet emergency needs, and inadequate available income. Federal statutes require that 90 percent of CSBG funding be passed through to Community Action Agencies and/or other not-for-profit organizations. The federally funded Emergency Solutions Grants Program provides services necessary to help homeless individuals and those at risk of homelessness to quickly regain stability in permanent housing. The Refugee Assistance Program, funded with federal funds, is designed to provide services to help refugees overcome language barriers, acquire or adapt vocational skills, and adjust to their new environment to become productive citizens within the shortest possible time.

Food Distribution – The federally funded Food Distribution Program enables Family Support to provide USDA commodities and administrative funds to not-for-profit food banks to store, ship, and distribute food to eligible individuals and families. The Food Distribution Program also provides commodities for the Summer Food Service Program and other charitable institutions.

Energy Assistance – The Low-Income Home Energy Assistance Program is a federally funded block grant which provides heating assistance payments, winter and summer crisis assistance and weatherization assistance to low-income households.

DEPARTMENT OF SOCIAL SERVICES FAMILY SUPPORT DIVISION

Domestic Violence – This program issues contracts to domestic violence shelters and programs throughout the state. These shelters provide residential facilities for domestic violence victims and their children. In addition, shelters provide support services such as hotline calls, professional therapy, legal advocacy, and case management.

Services for the Visually Impaired/Business Enterprises – Professional staff in Rehabilitation Services for the Blind counsel and train blind and visually impaired Missourians, arrange for the purchase of other services, and help the visually impaired find jobs. Services include rehabilitation, vocational rehabilitation, diagnosis and treatment of eye disease, equipment and supplies for blind preschool children, the Public Building Vending Program, and the Readers for the Blind Program.

Child Support Field Staff and Operations – Child Support staff provide services to locate missing parents; establish paternity, medical support, and financial child support obligations; and enforce the collection of support payments for TANF, MO HealthNet, and non-TANF families that apply for child support services. The state retains approximately 37 percent of all assigned child support collected on current and former TANF cases.

Child Support Distributions – Distributions are made to reimburse counties that have signed a cooperative agreement with the Department of Social Services to provide judicial assistance in the establishment and enforcement of child support obligations. Child support collection and prosecution costs incurred by the counties are reimbursed by the federal government at a rate of 66 percent. Distributions are also made to families and to refund overpayments from federal and state income tax refund intercepts.

Fiscal Year 2018 Governor's Recommendations

- \$5,500,000 federal funds to assist food stamps recipients in obtaining and maintaining employment.
- \$1,362,494 federal funds to provide job training opportunities for food stamps recipients.
- \$950,000 for blind pension payments.
- \$500,000 for victims of sexual assault.
- \$452,310 Blind Pension Fund for a rate increase pursuant to Section 209.040, RSMo.
- \$250,000 for domestic violence shelters.
- \$6,458,561 transferred from the Office of Administration for the Alternatives to Abortion program, including \$2,108,561 general revenue.
- \$684,013 transferred from the Office of Administration for fringe benefit savings for privatizing interstate child support collections, including \$95,762 general revenue.
- (\$38,478,000) and (43) staff core reduction from the Fiscal Year 2017 appropriation level, including (\$4,365,850) general revenue.

**DEPARTMENT OF SOCIAL SERVICES
CHILDREN'S DIVISION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Children's Administration	\$ 6,645,709	\$ 6,858,318	\$ 6,808,318
Children's Field Staff and Operations	83,869,683	86,384,302	85,976,302
Children's Staff Training	970,438	1,471,758	1,471,758
Children's Treatment Services	19,751,018	22,462,111	21,847,811
Crisis Care	1,558,796	2,050,000	2,050,000
Foster Care	62,869,531	63,798,549	66,524,118
Foster Parent Training	576,220	576,399	576,399
Adoption and Subsidized Guardianship	82,327,301	84,458,978	87,144,190
Adoption Resource Centers	1,387,500	2,620,000	3,850,000
Independent Living	2,391,619	2,999,900	2,999,900
Transitional Living	2,918,887	2,918,887	2,918,887
Child Assessment Centers	2,868,727	2,950,523	2,950,523
Residential Treatment	67,982,828	71,661,811	52,605,355
Foster Care Case Management Contracts	36,103,577	39,719,303	38,648,303
IV-E Court Contracts	37,105	400,000	400,000
Child Abuse and Neglect Grant	140,659	188,316	188,316
Foster Care Children's Account	12,509,806	16,500,000	16,500,000
Purchase of Child Care	154,497,876	189,213,888	186,113,888
Home Visitation	4,053,345	4,364,500	4,364,500
Foster Youth Educational Assistance	1,233,183	1,688,848	1,688,848
Foster Care Outdoor Program	294,042	500,000	0
IV-E-CASA Training	19,394	200,000	200,000
TOTAL	\$ 545,007,244	\$ 603,986,391	\$ 585,827,416
PERSONAL SERVICE			
General Revenue Fund	31,715,031	33,209,927	32,801,927
Federal Funds	48,563,361	49,630,340	49,630,340
Other Funds	68,673	119,275	119,275
EXPENSE AND EQUIPMENT			
General Revenue Fund	4,315,360	6,086,024	4,954,283
Federal Funds	9,059,256	10,203,173	10,189,700
Other Funds	56,300	385,430	379,056
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	223,112,005	228,624,871	223,453,517
Federal Funds	206,493,394	251,442,839	239,998,432
Other Funds	21,623,864	24,284,512	24,300,886
TOTAL			
General Revenue Fund	259,142,396	267,920,822	261,209,727
Federal Funds	264,116,011	311,276,352	299,818,472
Other Funds	21,748,837	24,789,217	24,799,217
Total Full-time Equivalent Employees	2,276.46	2,071.88	2,060.88
General Revenue Fund	905.38	719.85	709.29
Federal Funds	1,369.11	1,349.23	1,348.79
Other Funds	1.97	2.80	2.80

Children's Administration – The Children's Division Administrative Services provides management, coordination, and general direction for all Children's Division programs. The division director and staff monitor the effectiveness of programs that promote safety, permanency, and well-being for Missouri's children served by the division. Administrative Services provides policy direction, operational services, leadership development, and human resource support to field staff.

DEPARTMENT OF SOCIAL SERVICES CHILDREN'S DIVISION

CD Field Staff and Operations/Staff Training – This funding covers salaries, expenses, and training for Children's Service workers and support staff to maintain the Children's Division programs in each of the state's 46 judicial circuits. Front-line staff respond to allegations of child abuse or neglect, provide assistance for families in need of services to keep or return children home safely, secure appropriate out-of-home placements for children placed in the division's custody, and locate permanent homes when it is in the best interest of children. Strong emphasis is placed on engaging families through the implementation of a new practice model focused on well-being, safety, and effects of trauma.

In the spring of 2015, the Children's Division obtained national accreditation by the Council on Accreditation (COA), in accordance with Section 210.113, RSMo. To achieve accreditation, Missouri's child welfare system was reviewed and measured against nationally recognized standards of best practice established by COA. This was the second time the Children's Division achieved accreditation; the first occurring in 2009.

Children's Treatment Services, Crisis Care, and Prevention Programs – The Children's Treatment Services funding provides a variety of contracted services to child abuse victims and their parents. Specific services include individual and family therapy, respite care, parent aides, intensive family reunification, and other supportive services. Children's Treatment Services funding also provides for intensive, in-home services to help prevent placement of children in foster care and keep children with their families. Prevention programs such as Crisis Care Centers and home visiting provide services for families and children to prevent child abuse and neglect and to divert children from the state's custody.

Foster Care, Foster Parent Training, Children's Account, Adoption Subsidy, and Subsidized Guardianship – The Foster Care Program provides monthly room and board payments for children in the custody and care of the Children's Division. Types of placements include traditional foster care, relative care, and kinship care. For children with intensive behavioral or medical needs, specialized placements are provided. Payments are made for non-Medicaid medical and dental services, clothing, transportation, foster parent training, respite care, and other needs.

Children's Account is comprised of funds received from a variety of sources on behalf of children in the division's custody. These monies are used to offset the cost of maintaining the child in foster care and to pay for any special expenses of the child.

The Adoption Subsidy Program and Subsidized Guardianship Program provide financial assistance to parents who adopt or become legal guardians of special needs children in order to move these children from foster care into permanent family arrangements.

Adoption Resource Centers – The purpose of these centers located in St. Louis, Kansas City, Springfield, and Jefferson City is to prevent adoption disruption and promote family well-being through the provision of supportive services, crisis intervention, respite services and training on accessing community resources. Centers also provide extreme recruitment services aimed at locating family or kinship connections for children in foster care.

Child Assessment Centers – Child Assessment Centers provide a child friendly setting where children, reported to have been sexually abused, can be interviewed by multi-disciplinary team members and receive a single medical examination.

Residential Treatment, Transitional Living, Independent Living, and Title IV-E Court Contracts – Residential facilities are used when foster family care cannot meet the children's treatment needs. The division contracts with a wide range of residential programs, ranging from small group homes to large, self-contained, resident campuses. Facilities must be licensed by the Children's Division and may also be accredited by one of three nationally recognized accrediting organizations. Independent Living programs assist foster care children, ages 15 to 21, in learning the necessary skills for the transition from foster care to adult independent living in the community. Transitional Living placement programs assist foster care children ages 16 to 21 by placing youth in their communities with support services. Court contracts through the Title IV-E Program allow the Children's Division to pass through federal funds to be used for reimbursement to juvenile courts for children in the court's custody placed in juvenile court residential facilities.

Foster Care Case Management Contracts – The Children's Division contracts with private agencies to provide foster/adoption case management services to children who have been removed from their homes and are under the jurisdiction of the Juvenile Court. These children have been abused and/or neglected or were found to be at serious risk of such. The goal of the foster care case management contracts is to improve safety, stability, and timely permanency for these children. Approximately 25% of children in the custody of the Children's Division are case managed by private contractors.

Purchase of Child Care – The child care program supports low-income working families and children receiving protective service child care through the Children's Division. Without child care assistance, many parents could not participate in job training or education, or maintain employment in order to become self-sufficient. Without such assistance, the risk of children being left in inappropriate, unsupervised, or unsafe environments also increases. The Early Childhood Development, Education and Care Fund supports programs to improve the availability of, and access to, quality child care and programs that prepare children to enter school ready to succeed. Because children learn more from the ages of zero to five than during any other developmental period, the availability of quality child care is essential to preparing children for school.

**DEPARTMENT OF SOCIAL SERVICES
CHILDREN'S DIVISION**

Foster Youth Educational Assistance – This funding provides financial assistance for tuition and other fees related to post-secondary education, certificate programs, or career and vocational training to youth in foster care and former foster care youth. The program gives the Division the opportunity to provide funding to assist eligible youth interested in pursuing higher education to reach their goals and reduce student loan debt.

Fiscal Year 2018 Governor's Recommendations

- \$10,735,146 to serve the increasing number of children in state custody, including \$8,000,607 general revenue.
- \$1,750,000 for adoption resource centers and to support finding adoptive homes for children in state custody.
- \$600,000 federal funds for adoption services.
- \$10,000 Foster Care and Adoptive Parents Recruitment and Retention Fund for grants to licensed community-based foster care and adoption recruitment programs.
- (\$17,089,399) reallocated to the MO HealthNet Division for residential treatment medical payments, including (\$6,284,114) general revenue.
- (\$14,164,722) and (11) staff core reduction from the Fiscal Year 2017 appropriation level, including (\$10,177,588) general revenue.

**DEPARTMENT OF SOCIAL SERVICES
DIVISION OF YOUTH SERVICES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administrative Services	\$ 1,833,382	\$ 1,906,054	\$ 1,906,054
Youth Treatment Programs	51,044,472	55,955,809	55,598,208
Juvenile Court Diversion	3,745,845	4,079,486	3,979,486
TOTAL	\$ 56,623,699	\$ 61,941,349	\$ 61,483,748
PERSONAL SERVICE			
General Revenue Fund	17,595,308	18,501,825	18,501,825
Federal Funds	21,446,037	24,061,423	24,061,423
Other Funds	3,304,462	3,374,624	3,374,624
EXPENSE AND EQUIPMENT			
General Revenue Fund	377,740	567,260	451,430
Federal Funds	4,378,220	4,739,337	4,378,328
Other Funds	2,789,979	2,890,320	2,571,492
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	3,814,816	3,961,952	3,930,681
Federal Funds	2,218,366	2,057,021	2,418,030
Other Funds	698,771	1,787,587	1,795,915
TOTAL			
General Revenue Fund	21,787,864	23,031,037	22,883,936
Federal Funds	28,042,623	30,857,781	30,857,781
Other Funds	6,793,212	8,052,531	7,742,031
Total Full-time Equivalent Employees	1,265.09	1,255.21	1,253.21
General Revenue Fund	522.83	481.23	480.23
Federal Funds	642.80	684.77	683.77
Other Funds	99.46	89.21	89.21

Youth Services Administration – The youth services administrative unit assumes overall responsibility for designing, implementing, managing, and evaluating all programs operated by the Division of Youth Services (DYS). Five regional offices work with central office staff to ensure program efficiency and effectiveness at the local level.

Youth Treatment – Youth treatment includes residential and non-residential services. Residential Services provide youthful offenders with structured rehabilitation programs to address the youth's treatment/educational needs and facilitate the youth's successful and productive transition to aftercare in the community. Services include academic and vocational education. The division operates 5 secure care facilities, 19 moderate care facilities, and 6 community-based facilities. Non-residential Services help youthful offenders adjust to community life and become law-abiding and productive citizens. The division also provides case management; community care which includes day treatment, intensive supervision, family counseling, and alternative living; and aftercare services.

Juvenile Court Diversion – The Juvenile Court Diversion Program encourages local communities to develop programs to divert youth from commitment to DHS through contracts with local courts to provide early intervention services to first-time offenders to stop their delinquent behavior.

Fiscal Year 2018 Governor's Recommendations

- (\$457,601) and (two) staff core reduction from the Fiscal Year 2017 appropriation level, including (\$147,101) general revenue.

**DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administrative Services	\$ 100,989,430	\$ 158,744,799	\$ 160,300,389
MO HealthNet Vendor Payments and Managed Care	7,072,228,946	7,671,813,816	8,083,505,155
Blind Pension Medical Benefits	25,966,864	26,672,798	27,584,490
TOTAL	\$ 7,199,185,240	\$ 7,857,231,413	\$ 8,271,390,034
PERSONAL SERVICE			
General Revenue Fund	2,542,259	2,673,274	2,890,998
Federal Funds	5,266,774	5,503,213	5,765,754
Other Funds	1,724,623	1,832,640	1,877,457
EXPENSE AND EQUIPMENT			
General Revenue Fund	11,469,682	15,447,396	20,994,620
Federal Funds	63,213,214	80,697,418	93,925,195
Other Funds	8,329,549	6,307,296	8,334,285
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,355,198,896	1,382,025,405	1,522,170,626
Federal Funds	3,408,415,558	3,908,093,670	4,095,395,862
Other Funds	2,343,024,685	2,454,651,101	2,520,035,237
TOTAL			
General Revenue Fund	1,369,210,837	1,400,146,075	1,546,056,244
Federal Funds	3,476,895,546	3,994,294,301	4,195,086,811
Other Funds	2,353,078,857	2,462,791,037	2,530,246,979
Total Full-time Equivalent Employees	210.17	234.11	233.11
General Revenue Fund	56.21	64.53	68.03
Federal Funds	116.60	124.97	119.47
Other Funds	37.36	44.61	45.61

Administrative Services – The MO HealthNet Division is an intermediary for providing services to both participants and providers. The agency's structure includes two major sections: Finance and Operations and Clinical Services.

The Finance and Operations section works to incorporate the newest and best technology to accurately and efficiently pay providers in a paperless environment. Technology provides a robust reporting function that is critical to the management responsibilities of the division. The resultant database of paid claims is used to monitor the programs, provide program integrity, and compile data to project financial needs and trends. Provider relations, participant services, and premium collections are also functions under the Finance and Operations section.

The Clinical Services section oversees pharmacy enhancement and rebates, the exception program, the psychology program, and the Missouri Rx Plan. Data mining and analysis allows for examination of performance in terms of efficiency of operations and anticipated health status outcomes. The Clinical Services section establishes best practices based on evidence-based reviews.

Fiscal Year 2018 Governor's Recommendations

- \$20,300,542 and seven staff to sustain the MO HealthNet technology infrastructure, including \$4,676,739 general revenue.
- \$1,542,206 to extend contracts for development, operation, and support of the MO HealthNet technology infrastructure, including \$390,866 general revenue.
- \$100,238 federal and other funds and two staff to provide additional reimbursement for ground emergency medical transportation pursuant to SB 607 (2016).
- (\$20,387,396) federal funds and (ten) staff core reduction from the Fiscal Year 2017 appropriation level.

**DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION**

**MEDICAID EXPENDITURES
SELECTED SERVICES AND ANNUAL TOTALS**

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Pharmacy	1,488,060,464	\$ 1,786,553,090	\$ 1,770,499,506
Physicians	381,775,506	425,253,847	418,280,879
Dental	4,585,964	14,772,175	6,769,043
Premium Payments	216,635,043	241,445,231	261,214,246
Nursing Facilities and Home Health	610,240,263	644,953,832	531,784,256
Rehabilitation and Specialty Services	291,685,921	305,612,647	318,071,505
Managed Care	1,840,120,958	1,888,226,425	2,380,030,053
Hospital Care	632,366,715	605,406,682	515,957,318
Safety Net Hospitals	8,000,000	8,000,000	13,722,792
FRA and NFRA	1,419,462,775	1,451,151,260	1,484,898,356
Health Care Access	7,107,453	10,790,923	36,239,019
Children's Health Insurance Program	69,783,495	92,752,778	94,671,744
Show-Me Healthy Babies	2,408,208	13,597,790	25,100,395
School District Claiming	31,499,446	34,896,295	34,896,295
IGT Safety Net Hospitals	32,937,195	99,854,549	64,531,450
FRA Health Care Home	5,128,405	7,353,934	8,105,166
FQHC Distribution	10,254,867	14,942,945	12,325,399
Long-term Care UPL	10,006,814	10,950,768	10,950,768
Complex Rehab Technology Products	10,169,454	11,666,969	11,496,719
Regional Care Coordination	0	2,000,000	0
Ground Emergency Medical Transport	0	0	83,960,246
Blind Pension Medical Benefits	25,966,864	26,672,798	27,584,490
TOTAL	\$ 7,098,195,810	\$ 7,696,854,938	\$ 8,111,089,645
EXPENSE AND EQUIPMENT			
General Revenue Fund	2,670,072	3,223,676	3,073,676
Federal Funds	7,785,843	4,047,973	3,897,973
Other Funds	1,712,108	215,000	215,000
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,355,198,896	1,380,577,363	1,522,169,927
Federal Funds	3,387,804,206	3,856,161,512	4,061,697,832
Other Funds	2,343,024,685	2,452,629,414	2,520,035,237
TOTAL			
General Revenue Fund	1,357,868,968	1,383,801,039	1,525,243,603
Federal Funds	3,395,590,049	3,860,209,485	4,065,595,805
Other Funds	2,344,736,793	2,452,844,414	2,520,250,237

Vendor Payments – The Medicaid Program is a federal-state partnership to pay for the health care of those who cannot pay for their own care. Federal law sets the minimum services for any state that opts to administer the Medicaid Program. These include hospital; physician; Early and Periodic Screening, Diagnostic and Treatment; lab and x-ray; skilled nursing home care; home health care; Federally Qualified Health Centers; rural health clinics; non-emergency transportation; and family planning services.

In addition to Medicaid State Plan Services, Missouri provides women's health services for women with incomes no greater than 185 percent of the federal poverty level. Missouri also provides breast and cervical cancer treatment for uninsured women under the age of 65. Also, the State Children's Health Insurance Program covers uninsured children up to 300 percent of the federal poverty level. Families with incomes above 150 percent of the federal poverty level, but below 300 percent of the federal poverty level must pay premiums to receive coverage for their children. The Blind Pension Medical Benefits Program covers individuals receiving blind pension benefits who do not meet categorical eligibility criteria for Medicaid.

**DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION**

Fiscal Year 2018 Governor's Recommendations

- \$282,463,460 for the additional cost of existing Medicaid programs, including \$63,528,927 general revenue.
- \$113,025,000 to replace one-time federal funds.
- \$99,477,303 for the transition to statewide managed care, including \$35,289,036 general revenue.
- \$83,960,246 federal and other funds to provide additional reimbursement for ground emergency medical transportation services pursuant to SB 607 (2016).
- \$79,254,708 for increases in the pharmacy program due to new specialty drugs, therapies, utilization, and inflation, including \$28,487,336 general revenue.
- \$72,836,001 for existing Medicaid programs due to increased caseloads as a result of the increased asset limit pursuant to HB 1565 (2016), including \$15,668,152 general revenue.
- \$70,629,643 to address the change in the Medicaid federal participation percentage, including \$1,789,577 general revenue.
- \$20,920,109 for an actuarially-required trend factor for all managed care regions, including \$7,421,420 general revenue.
- \$17,455,620 federal and other funds for projected Medicaid expenditures.
- \$17,357,352 for increased clawback payments to the federal government for Medicare Part D drug coverage.
- \$17,064,441 for increases in Medicare Part A and B premiums, including \$5,923,867 general revenue.
- \$5,722,792 federal funds for payments to physicians providing services at safety net hospitals.
- \$2,465,180 for an actuarial cost increase for non-emergency medical transportation, including \$881,055 general revenue.
- \$1,297,547 federal and other funds for Health Home payments.
- \$325,964 for increases to Medicare hospice rates, including \$116,553 general revenue.
- \$122,470 for an annual Primary Care Health Home rate adjustment, including \$24,343 general revenue.
- \$17,089,399 reallocated from the Children's Division for residential treatment medical payments, including \$6,284,114 general revenue.
- (\$488,864,204) core reduction from the Fiscal Year 2017 appropriation level, including (\$154,954,168) general revenue.

ELECTED OFFICIALS

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Office of the Chief Executive	\$ 4,968,174	\$ 8,876,259	\$ 7,055,458	\$ 6,280,458
Lieutenant Governor	404,925	463,425	588,425	463,425
Secretary of State	31,612,391	45,023,774	51,519,633	39,202,774
State Auditor	7,152,609	8,587,033	8,587,033	8,587,033
State Treasurer	47,478,259	39,837,189	27,837,189	27,837,189
Attorney General	24,471,403	35,448,424	36,403,434	35,394,924
TOTAL	\$ 116,087,761	\$ 138,236,104	\$ 131,991,172	\$ 117,765,803
General Revenue Fund	50,605,061	65,439,390	58,497,958	45,047,589
Federal Funds	10,734,719	21,773,365	21,773,365	20,998,365
Other Funds	54,747,981	51,023,349	51,719,849	51,719,849
Total Full-time Equivalent Employees	786.11	975.52	972.52	960.52
General Revenue Fund	532.42	635.33	634.33	622.33
Federal Funds	71.77	93.51	93.51	93.51
Other Funds	181.92	246.68	244.68	244.68

OFFICE OF THE CHIEF EXECUTIVE

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Governor's Office and Mansion	\$ 3,870,950	\$ 4,846,258	\$ 2,250,457
National Guard Emergency	1,074,386	4,000,001	4,000,001
Special Audits	22,838	30,000	30,000
TOTAL	\$ 4,968,174	\$ 8,876,259	\$ 6,280,458
PERSONAL SERVICE			
General Revenue Fund	4,171,394	3,535,764	1,782,963
EXPENSE AND EQUIPMENT			
General Revenue Fund	796,780	565,494	497,494
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	0	4,000,001	4,000,001
Federal Funds	0	775,000	0
TOTAL			
General Revenue Fund	4,968,174	8,101,259	6,280,458
Federal Funds	0	775,000	0
Total Full-time Equivalent Employees	46.01	39.00	25.00
General Revenue Fund	46.01	39.00	25.00

GOVERNOR'S OFFICE AND MANSION

Article IV, Section 1 of the Missouri Constitution describes the duties and responsibilities of the Governor. This section includes the statutory salary of the Governor, funds for personnel, and expense and equipment in the Governor's office and the mansion.

Fiscal Year 2018 Governor's Recommendations

- (\$1,820,801) and (14) staff transferred to the Department of Public Safety.
- (\$775,000) federal funds core reduction from the Fiscal Year 2017 appropriation level.

NATIONAL GUARD EMERGENCY/HOMELAND SECURITY

The Missouri National Guard, when called to active duty by the Governor under Section 41.480, RSMo, has the authority to restore law and order and assist in the disaster relief of any section of the state where circumstances exceed the resources of local civil authorities. The most common use of the guard has been for cleanup and security following natural disasters, such as a flood or tornado.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

SPECIAL AUDITS

Section 26.060, RSMo, authorizes the Governor to call for special audits of any entity receiving state funds when the public interest of the state will be served.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

LIEUTENANT GOVERNOR

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Lieutenant Governor			
TOTAL	\$ 404,925	\$ 463,425	\$ 463,425
PERSONAL SERVICE	382,999	412,748	412,748
EXPENSE AND EQUIPMENT	21,926	50,677	50,677
TOTAL			
General Revenue Fund	404,925	463,425	463,425
Total Full-time Equivalent Employees	6.46	7.00	7.00
General Revenue Fund	6.46	7.00	7.00

Article IV, Section 10 of the Missouri Constitution describes the duties and responsibilities of the Lieutenant Governor. The statutory salary of the Lieutenant Governor, funds for the personnel, and expense and equipment costs in operating the Office of the Lieutenant Governor are included in this section.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

SECRETARY OF STATE

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 13,527,424	\$ 17,849,502	\$ 18,699,502
Elections	11,755,544	16,090,495	12,379,495
Record Preservation Programs	43,615	475,001	475,001
Missouri Library Programs	6,285,808	10,608,776	7,648,776
TOTAL	\$ 31,612,391	\$ 45,023,774	\$ 39,202,774
PERSONAL SERVICE			
General Revenue Fund	7,509,344	7,603,512	7,603,512
Federal Funds	439,298	532,779	532,779
Other Funds	1,326,949	2,201,298	2,201,298
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,370,624	5,952,225	3,532,225
Federal Funds	2,806,582	3,476,839	3,476,839
Other Funds	2,535,570	3,711,113	4,461,113
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	9,369,235	8,980,777	4,829,777
Federal Funds	4,025,786	10,142,230	10,142,230
Other Funds	229,003	2,423,001	2,423,001
TOTAL			
General Revenue Fund	20,249,203	22,536,514	15,965,514
Federal Funds	7,271,666	14,151,848	14,151,848
Other Funds	4,091,522	8,335,412	9,085,412
Total Full-time Equivalent Employees	229.29	269.30	269.30
General Revenue Fund	188.06	205.76	205.76
Federal Funds	11.74	12.80	12.80
Other Funds	29.49	50.74	50.74

Article IV, Section 14 of the Missouri Constitution describes the duties and responsibilities of the Secretary of State.

ADMINISTRATION

The Office of the Secretary of State is organized as follows:

Administrative Services – provides central budgeting, payroll, human resources, accounting, supplies, and mailroom services for all areas of the office. Responsibilities also include publication of the official manual of the State of Missouri, the Constitution, corporation laws, securities laws, the uniform commercial code manual, notary public laws, trademark laws, primary election returns, and the state and general assembly roster.

Elections Services – prepares ballots, certifies candidates, canvasses election returns, certifies initiative petitions, and maintains the statewide voter registration database.

Record Services – provides for the maintenance, retention, preservation, and disposal of official records of the state and local governments of Missouri.

Administrative Rules and Legal Services – serves as the central filing office for all rules and regulations promulgated by departments of the State of Missouri.

Securities Services – works to protect Missouri investors from fraud and maintains an orderly securities market in the state. The Securities Commissioner administers the Missouri Uniform Securities Act.

Business Services – administers the laws and filings of corporations and non-profit organizations. The division is the central filing office and custodian of all filings on business and professional loans. Additionally, the division commissions public notaries.

Missouri State Library – supports or works in concert with public, academic, and institutional libraries of the state with grant support, consultant services, development of criteria for establishment of libraries, collection development, and resource sharing. The library serves as a research and reference library for state government and the legislature and as the central outlet for census data information.

ELECTED OFFICIALS SECRETARY OF STATE

Wolfner Library for the Blind and Physically Handicapped – provides a variety of Braille, large print books, talking books recorded on cassette and discs, as well as cassette and disc playback equipment for eligible citizens who are blind, visually impaired, physically disabled, or learning disabled. The federal government, through the National Library Service, provides production of the materials, equipment, and postal charges for their distribution. The State of Missouri pays for staffing and cost of housing the collections of material and equipment for staff to operate the service.

Fiscal Year 2018 Governor's Recommendations

- \$750,000 Secretary of State's Technology Trust Fund Account for services, equipment, and functions assigned to the office.
- \$100,000 to implement voter identification requirements pursuant to HB 1631 (2016).

ELECTIONS

Initiative, Referendum, and Constitutional Amendments Expenses – funds are provided to allow for the publication of the texts of initiative petitions and referendums in newspapers prior to their consideration by the electorate of the State of Missouri. Payments are made in accordance with Chapter 125, RSMo, for constitutional amendments and Chapter 126, RSMo, for initiative petitions and referendums.

Absentee Ballots – funds are provided to allow for fees and costs for establishing and maintaining the business reply and postage-free mail for absentee envelopes returned by voters, in accordance with Section 115.285, RSMo.

Election Printing and Federal Election Reform – provisional ballot envelopes must be provided for local election authorities to use in elections of federal candidates, statewide candidates, or statewide issues. In addition, the Elections Division must print and distribute voter registration applications in accordance with federal laws.

Fiscal Year 2018 Governor's Recommendations

- (\$2,640,000) core reduction for one-time expenditures.
- (\$1,071,000) core reduction from the Fiscal Year 2017 appropriation level.

RECORD PRESERVATION PROGRAMS

Local Records Grants – these funds are user fees designated for local records preservation. Missouri local governments submit proposals that address their specific needs in archive/records management. The Historical Records Advisory Board in concert with the Local Records Program Fiscal Grants Officer establish and implement funding priorities and audit the return of money to local governments.

Document Preservation – these funds are private donations designated for preservation of documents of legal, historical, and genealogical importance to the State of Missouri.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

MISSOURI LIBRARY PROGRAMS

State Aid for Public Libraries – the Missouri Constitution authorizes the state to support and aid public libraries. Consistent with this authority and the procedure set out in Section 181.060, RSMo, the Missouri State Library distributes funds to eligible public libraries on the basis of population served by the library district. A public library becomes eligible for participation if it has voted a local tax of at least ten cents per one hundred dollars assessed valuation. Local libraries use state funds to supplement local support.

Library Networking Fund – Section 143.183, RSMo, authorizes the transfer from general revenue of ten percent of the annual estimate of income taxes generated from nonresident athletes and entertainers to the Library Networking Fund for distribution to public libraries for the acquisition of library materials.

Federal Aid for Public Libraries – the Missouri State Library administers federal grants under the federal Library Services and Construction Act. The library distributes funds to local public libraries for personnel, books, other library materials, and for general operating expenses to develop and improve library services. In addition, funds are available to local groups of libraries for improving local library cooperation. All costs for cooperative projects, except book purchases and building construction, are eligible for funding.

Fiscal Year 2018 Governor's Recommendations

- (\$2,960,000) core reduction from the Fiscal Year 2017 appropriation level.

STATE AUDITOR

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
State Auditor			
TOTAL	\$ 7,152,609	\$ 8,587,033	\$ 8,587,033
PERSONAL SERVICE			
General Revenue Fund	5,071,060	5,873,479	5,873,479
Federal Funds	590,493	888,870	888,870
Other Funds	285,919	952,475	952,475
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,140,835	807,859	807,859
Federal Funds	30,120	30,123	30,123
Other Funds	34,182	34,227	34,227
TOTAL			
General Revenue Fund	6,211,895	6,681,338	6,681,338
Federal Funds	620,613	918,993	918,993
Other Funds	320,101	986,702	986,702
Total Full-time Equivalent Employees	108.24	168.77	168.77
General Revenue Fund	91.67	137.27	137.27
Federal Funds	11.57	11.00	11.00
Other Funds	5.00	20.50	20.50

Article IV, Section 13 of the Missouri Constitution describes the duties and responsibilities of the State Auditor. The State Auditor's Office works to ensure the proper use of public funds by performing audits of state agencies, boards and commissions, the circuit court system, third-class counties, and other political subdivisions upon petition by the voters. All audits are performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. The audit reports are delivered to the Governor, the General Assembly, the auditee, and interested citizens. The State Auditor also provides an annual audit of the state's comprehensive annual financial report and federal grant programs administered by the state, reviews and registers general obligation bond issues of the state's political subdivisions, prepares fiscal notes for ballot initiatives, performs an Annual Forfeiture Report, and reviews property tax rates proposed by political subdivisions for compliance with state law.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

STATE TREASURER

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 3,689,799	\$ 4,337,188	\$ 4,337,188
Edward Jones Dome Project Debt Service and Maintenance	0	12,000,000	\$ 0
Issuing Duplicate and Outlawed Checks	2,136,558	1,000,000	1,000,000
Abandoned Fund Account	41,651,902	22,500,001	22,500,001
TOTAL	\$ 47,478,259	\$ 39,837,189	\$ 27,837,189
PERSONAL SERVICE			
Other Funds	1,975,563	2,259,916	2,259,916
EXPENSE AND EQUIPMENT			
Other Funds	1,714,236	2,077,272	2,077,272
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	4,899,018	13,000,001	1,000,001
Other Funds	38,889,442	22,500,000	22,500,000
TOTAL			
General Revenue Fund	4,899,018	13,000,001	1,000,001
Other Funds	42,579,241	26,837,188	26,837,188
Total Full-time Equivalent Employees	45.06	50.40	50.40
Other Funds	45.06	50.40	50.40

ADMINISTRATION

Article IV, Section 15 of the Missouri Constitution describes the duties and responsibilities of the State Treasurer. The State Treasurer is responsible for receiving and investing state moneys, posting receipts to the proper funds, and signing warrants drawn according to law. As custodian of those funds, the Treasurer determines the amount of state moneys not needed for current operating expenses and invests those funds in interest-bearing time deposits in Missouri banking institutions or in short-term United States government obligations. The Treasurer is required to give due consideration to the preservation of state funds and the comparative yields available. The Treasurer also must determine whether the general welfare of the state is better served by investing state funds in United States securities or within the Missouri banking system.

The Treasurer also administers the state's unclaimed property law by collecting unclaimed or abandoned funds and property belonging to Missouri citizens and trying to locate the owners.

Fiscal Year 2018 Governor's Recommendations

- (\$12,000,000) transferred to the Office of Administration.

ISSUING DUPLICATE AND OUTLAWED CHECKS

These functions allow payment of claims against the state in cases where checks are not presented for payment within 12 months of issuance as required by law and in cases where checks are presented for payment more than five years after the date of issuance.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**ELECTED OFFICIALS
STATE TREASURER**

ABANDONED FUND ACCOUNT

In accordance with Section 447.543, RSMo, the Abandoned Fund Account has the two-fold purpose of receiving funds that have remained unclaimed for a period of seven years and making the payment of valid claims. Any time the fund exceeds $1/12^{\text{th}}$ of the prior year's disbursements, the Treasurer may, and at least once every year shall, transfer the excess to general revenue. If verified claims for payment should reduce the balance in the account to less than $1/24^{\text{th}}$ of the prior year's disbursements, the Treasurer shall transfer from general revenue an amount sufficient to restore the fund to $1/12^{\text{th}}$ of the prior year's disbursements.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

ATTORNEY GENERAL

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 23,298,798	\$ 32,073,161	\$ 32,019,661
Missouri Office of Prosecution Services	1,172,605	3,375,263	3,375,263
TOTAL	\$ 24,471,403	\$ 35,448,424	\$ 35,394,924
PERSONAL SERVICE			
General Revenue Fund	11,103,710	12,429,250	12,429,250
Federal Funds	2,252,854	3,098,911	3,098,911
Other Funds	4,867,578	5,221,491	5,192,991
EXPENSE AND EQUIPMENT			
General Revenue Fund	2,533,339	1,992,803	1,992,803
Federal Funds	589,515	2,576,614	2,576,614
Other Funds	2,797,517	5,602,356	5,577,356
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	234,797	234,800	234,800
Federal Funds	71	251,999	251,999
Other Funds	92,022	4,040,200	4,040,200
TOTAL			
General Revenue Fund	13,871,846	14,656,853	14,656,853
Federal Funds	2,842,440	5,927,524	5,927,524
Other Funds	7,757,117	14,864,047	14,810,547
Total Full-time Equivalent Employees	351.05	441.05	440.05
General Revenue Fund	200.22	246.30	247.30
Federal Funds	48.46	69.71	69.71
Other Funds	102.37	125.04	123.04

Established by Article IV, Section 12 of the Missouri Constitution, the Attorney General takes legal action to protect the rights and interests of the state, defends or prosecutes appeals to which the state is a party, provides opinions regarding state law, and assists prosecuting attorneys in the prosecution of cases. The Office of the Attorney General has several responsibilities for which specific funds have been established by law.

Section 27.080, RSMo, establishes the Attorney General's Court Costs Fund to receive deposits and make payments of court costs in litigation requiring the appearance of the Attorney General. This fund is supplemented by a transfer from general revenue.

Section 416.081, RSMo, creates the Antitrust Revolving Fund which is made up of deposits of ten percent of any court settlement of antitrust litigation involving the Attorney General. This fund is supplemented by a transfer from general revenue.

Chapter 287, RSMo, provides for the Attorney General to charge the Second Injury Fund for the cost of defending the fund.

Section 56.750, RSMo, establishes the Missouri Office of Prosecution Services within the Attorney General's Office. The Prosecution Services Office is funded through fees assessed as court costs in criminal cases. The office was established to develop uniform training and procedures for Missouri's prosecuting attorneys.

Sections 407.1070 to 407.1085, RSMo, establish a no-call database to be maintained by the Attorney General for citizens who object to receiving telephone solicitations at home.

Fiscal Year 2018 Governor's Recommendations

- (\$53,500) Petroleum Storage Tank Insurance Fund and (one) staff core reduction from the Fiscal Year 2017 appropriation level.

JUDICIARY

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Supreme Court	\$ 5,380,949	\$ 5,937,906	\$ 6,703,655	\$ 5,937,906
Office of State Courts Administrator	27,540,049	32,742,620	37,162,932	32,644,068
Court of Appeals	11,778,183	12,117,833	13,161,966	12,117,833
Circuit Courts	148,872,713	158,813,678	188,264,965	158,807,886
Drug Courts	6,736,778	7,491,971	8,939,789	9,991,971
Commission on Retirement, Removal, and Discipline of Judges	247,917	253,517	270,955	253,517
Appellate Judicial Commission	7,659	7,741	7,741	7,741
TOTAL	\$ 200,564,248	\$ 217,365,266	\$ 254,512,003	\$ 219,760,922
General Revenue Fund	182,550,645	188,055,057	225,146,030	190,450,713
Federal Funds	5,704,046	14,372,517	14,420,017	14,372,517
Third Party Liability Collections Fund	298,317	397,256	397,256	397,256
Statewide Court Automation Fund	4,454,989	5,250,489	5,250,489	5,250,489
Supreme Court Publications Revolving Fund	33,714	150,000	150,000	150,000
Missouri CASA Fund	75,411	100,000	100,000	100,000
Crime Victims' Compensation Fund	868,273	887,200	887,200	887,200
Circuit Courts Escrow Fund	2,235,560	2,524,249	2,524,249	2,524,249
Basic Civil Legal Services Fund	4,063,191	5,098,498	5,106,762	5,098,498
State Court Administration Revolving Fund	82,145	230,000	230,000	230,000
Domestic Relations Resolution Fund	197,957	300,000	300,000	300,000
Total Full-time Equivalent Employees	3,235.01	3,423.05	3,526.63	3,423.05
General Revenue Fund	3,153.18	3,211.30	3,376.88	3,274.30
Federal Funds	48.97	168.25	106.25	105.25
Other Funds	32.86	43.50	43.50	43.50

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$219.8 million for the Judiciary. The Judiciary ensures Missourians have a fair and accessible forum to adjudicate civil and criminal charges.

**JUDICIARY
SUPREME COURT**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Judicial Proceedings and Review TOTAL	\$ 5,380,949	\$ 5,937,906	\$ 5,937,906
PERSONAL SERVICE			
General Revenue Fund	3,950,357	4,265,308	4,265,308
Federal Funds	159,656	510,189	510,189
EXPENSE AND EQUIPMENT			
General Revenue Fund	1,237,222	1,012,409	1,012,409
Other Funds	32,580	149,700	149,700
PROGRAM SPECIFIC DISTRIBUTION			
Other Funds	1,134	300	300
TOTAL			
General Revenue Fund	5,187,579	5,277,717	5,277,717
Federal Funds	159,656	510,189	510,189
Other Funds	33,714	150,000	150,000
Total Full-time Equivalent Employees	63.66	83.00	83.00
General Revenue Fund	60.57	75.00	75.00
Federal Funds	3.09	8.00	8.00

The Supreme Court has exclusive appellate jurisdiction in all cases involving: the validity of a treaty or statute of the United States or of a statute or provision of the Missouri Constitution; the construction of the state's revenue laws; the title to any state office; and, in all cases where the punishment imposed is death. In addition, the court may transfer cases from the Court of Appeals if: the cases involve questions of general interest or importance; the court thinks the existing law should be reexamined; the lower court opinion conflicts with prior opinions; or for other reasons provided by rule of the court. The Court of Appeals also may order a case transferred to the Supreme Court after opinion either by order of the Court of Appeals itself, or by the request of a dissenting court of appeals judge.

The Constitution authorizes the Court to establish Court practice and procedure rules and to temporarily transfer judicial personnel. In addition to its decision-making powers, the Supreme Court supervises all lower state courts (assisted by the Office of State Courts Administrator), licenses all lawyers practicing in Missouri, and disciplines those guilty of Rules of Professional Conduct violations.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

JUDICIARY
OFFICE OF STATE COURTS ADMINISTRATOR

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
State Courts Administrator	\$ 12,348,429	\$ 12,552,001	\$ 12,553,449
Court Improvement Projects	9,263,674	13,127,563	13,127,563
Statewide Court Automation	4,454,989	5,250,489	5,250,489
Judicial Report	0	100,000	100,000
Judicial Training and Education Transfer	1,372,957	1,612,567	1,612,567
Jasper County Juvenile Detention Center	100,000	100,000	0
TOTAL	\$ 27,540,049	\$ 32,742,620	\$ 32,644,068
PERSONAL SERVICE			
General Revenue Fund	6,408,730	6,845,891	6,845,891
Federal Funds	1,802,966	2,419,416	2,419,416
Other Funds	1,448,684	1,748,996	1,748,996
EXPENSE AND EQUIPMENT			
General Revenue Fund	5,053,232	4,858,910	4,860,358
Federal Funds	2,943,237	5,533,649	5,533,649
Other Funds	3,988,044	4,545,968	4,545,968
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	1,472,957	1,487,567	1,387,567
Federal Funds	454,280	301,000	301,000
Other Funds	3,967,919	5,001,223	5,001,223
TOTAL			
General Revenue Fund	12,934,919	13,192,368	13,093,816
Federal Funds	5,200,483	8,254,065	8,254,065
Other Funds	9,404,647	11,296,187	11,296,187
Total Full-time Equivalent Employees	197.27	218.25	218.25
General Revenue Fund	129.95	136.00	136.00
Federal Funds	40.17	46.25	46.25
Other Funds	27.15	36.00	36.00

The Office of State Courts Administrator fulfills the Supreme Court's administrative obligations. Staff provides technical assistance, statistical analysis, financial system analysis, continuing education, and automation support functions for the courts. The office assists in policy direction for the Statewide Judicial Information System and Missouri Court Automation, collects and analyzes caseload data from the courts, develops and operates appellate and circuit record-keeping systems, develops and operates administrative systems, prepares the judicial budget, and maintains the personnel system for the courts. The office processes payrolls for all state-paid circuit court employees and all other state expenditures of the Supreme Court and circuit courts. The office's fundamental goal is to build an integrated court system that renders geography largely irrelevant with greater efficiency, wider access, and enhanced accountability for the litigant.

Fiscal Year 2018 Governor's Recommendations

- \$1,448 reallocated from the Circuit Courts.
- (\$100,000) core reduction from the Fiscal Year 2017 appropriation level.

**JUDICIARY
COURT OF APPEALS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Court of Appeals - Western District	\$ 4,110,102	\$ 4,183,989	\$ 4,183,989
Court of Appeals - Eastern District	5,138,828	5,358,975	5,358,975
Court of Appeals - Southern District	<u>2,529,253</u>	<u>2,574,869</u>	<u>2,574,869</u>
TOTAL	\$ 11,778,183	\$ 12,117,833	\$ 12,117,833
PERSONAL SERVICE	10,440,952	11,060,900	11,060,900
EXPENSE AND EQUIPMENT	1,337,231	1,056,933	1,056,933
TOTAL			
General Revenue Fund	11,778,183	12,117,833	12,117,833
Total Full-time Equivalent Employees	149.33	159.35	159.35
General Revenue Fund	149.33	159.35	159.35

Missouri's current appellate structure is a single Court of Appeals consisting of three districts. The Eastern District sits in St. Louis, the Western District in Kansas City, and the Southern District holds sessions in Springfield and Poplar Bluff. Statute sets the number of judges in each district: 14 in the Eastern District, 11 in the Western District, and 7 in the Southern District.

The Court of Appeals may issue and determine original remedial writs and has general appellate jurisdiction in all cases not within the exclusive jurisdiction of the Supreme Court. The Court of Appeals may transfer cases not within the Supreme Court's exclusive jurisdiction to the Supreme Court when involving an important issue that should be decided by the state's highest court.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**JUDICIARY
CIRCUIT COURTS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Circuit Personnel	\$ 138,483,885	\$ 147,809,529	\$ 147,803,737
Circuit Court Administration	10,388,828	11,004,149	11,004,149
TOTAL	\$ 148,872,713	\$ 158,813,678	\$ 158,807,886
PERSONAL SERVICE			
General Revenue Fund	132,126,432	138,500,710	138,500,710
Federal Funds	261,616	3,778,602	3,778,602
Other Funds	172,020	269,217	269,217
EXPENSE AND EQUIPMENT			
General Revenue Fund	4,768,972	2,838,300	2,832,508
Federal Funds	39,288	1,798,661	1,798,661
Other Funds	162,527	270,600	270,600
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	8,762,206	8,374,900	8,374,900
Federal Funds	43,003	31,000	31,000
Other Funds	2,536,649	2,951,688	2,951,688
TOTAL			
General Revenue Fund	145,657,610	149,713,910	149,708,118
Federal Funds	343,907	5,608,263	5,608,263
Other Funds	2,871,196	3,491,505	3,491,505
Total Full-time Equivalent Employees	2,822.72	2,959.70	2,959.70
General Revenue Fund	2,811.30	2,838.20	2,901.20
Federal Funds	5.71	114.00	51.00
Other Funds	5.71	7.50	7.50

Missouri Constitution Article V, Section 1 establishes the 45 Missouri Circuit Courts with Chapter 478, RSMo, detailing the boundaries, circuit numbers, and geographic locations. The circuit court, the exclusive trial court in Missouri, is comprised of circuit judges, associate circuit judges, and municipal judges. Municipalities under 400,000 population may, and those over 400,000 must, make provision for judges to hear municipal ordinance violations. If such provision is not made, municipalities will file such cases before an associate circuit judge.

Fiscal Year 2018 Governor's Recommendations

- (\$4,344) core reduction for one-time expenditures.
- (\$1,448) reallocated to the Office of the State Courts Administrator.
- 63 staff for Circuit Court operations.
- (63) staff core reduction from the Fiscal Year 2017 appropriation level.

**JUDICIARY
DRUG COURTS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Drug Courts Transfer			
TOTAL	\$ 6,736,778	\$ 7,491,971	\$ 9,991,971
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	6,736,778	7,491,971	9,991,971
Total Full-time Equivalent Employees	0.00	0.00	0.00
Other Funds	0.00	0.00	0.00

The drug court program uses court authority to identify those offenders for whom costly incarceration is neither necessary nor an efficient allocation of scarce public resources. Based on the circumstance, judges divert defendants to drug court programs at various stages of the judicial process. Drug courts provide an additional tool to reduce the number of people entering the court and penal systems. Additionally, drug treatment programs decrease the negative consequences of drug abuse by reducing the number of additional cases filed involving family disputes, abuse and neglect, truancy, property crimes, and crimes of violence.

The Missouri Veterans' Treatment Courts are hybrid drug and mental health courts that use the drug court model to serve veterans struggling with addiction, serious mental illness, and/or co-occurring disorders. These courts use a coordinated response that involves cooperation and collaboration with the U.S. Department of Veterans Affairs health care networks, the Veterans' Benefits Administration, volunteer veteran mentors and veterans' family support organizations.

Any circuit may establish a drug court that combines judicial supervision, drug testing, and treatment of drug court participants. The Drug Court Coordinating Commission is composed of eight members: one member selected by the director of the Department of Corrections, one member selected by the director of the Department of Social Services, one member selected by the director of the Department of Mental Health, one member selected by the director of the Department of Public Safety, one member selected by the Office of State Courts Administrator, and three members selected by the Supreme Court. The commission is to evaluate, secure, coordinate, and allocate funding resources to the various drug courts around the state.

Fiscal Year 2018 Governor's Recommendations

- \$2,500,000 for Veterans' Courts and Drug Courts.

JUDICIARY
COMMISSION ON RETIREMENT, REMOVAL, AND DISCIPLINE OF JUDGES

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Commission on Retirement, Removal, and Discipline of Judges			
TOTAL	\$ 247,917	\$ 253,517	\$ 253,517
PERSONAL SERVICE	191,176	210,850	210,850
EXPENSE AND EQUIPMENT	56,741	42,667	42,667
TOTAL			
General Revenue Fund	247,917	253,517	253,517
Total Full-time Equivalent Employees	2.03	2.75	2.75
General Revenue Fund	2.03	2.75	2.75

The Commission on Retirement, Removal, and Discipline of Judges receives and investigates all requests and suggestions concerning retirement for disability and all complaints concerning misconduct of judges, members of the judicial commissions, and members of this commission. The commission is composed of two citizens appointed by the Governor who are not members of the bar, two lawyers appointed by the governing body of the Missouri Bar, one judge of the Court of Appeals selected by a majority of the judges of the Court of Appeals, and one judge of the circuit courts selected by a majority of the circuit judges of this state.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

JUDICIARY
APPELLATE JUDICIAL COMMISSION

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Appellate Judicial Commission			
TOTAL	\$ 7,659	\$ 7,741	\$ 7,741
EXPENSE AND EQUIPMENT			
General Revenue Fund	7,659	7,741	7,741
Total Full-time Equivalent Employees	0.00	0.00	0.00

The Appellate Judicial Commission consists of a judge of the Supreme Court, one member of the bar from each appeals district, and one citizen not a member of the bar from each appeals district. The commission considers vacant judgeships of the Supreme Court and the Court of Appeals.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

OFFICE OF THE STATE PUBLIC DEFENDER

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Defender Services	\$ 32,700,940	\$ 37,776,510	\$ 63,570,657	\$ 36,776,510
Federal Grants	0	125,000	125,000	125,000
Legal Defense and Defender Fund	1,282,644	2,985,943	2,985,943	2,985,943
Homicide/Conflict of Interest Cases	3,721,070	3,721,071	3,721,071	3,721,071
DEPARTMENTAL TOTAL	\$ 37,704,654	\$ 44,608,524	\$ 70,402,671	\$ 43,608,524
PERSONAL SERVICE				
General Revenue Fund	27,865,647	29,896,943	50,441,342	29,896,943
Legal Defense and Defender Fund	132,536	135,187	135,187	135,187
EXPENSE AND EQUIPMENT				
General Revenue Fund	8,556,363	11,600,638	16,850,386	10,600,638
Legal Defense and Defender Fund	1,127,991	2,800,756	2,825,756	2,825,756
PROGRAM SPECIFIC DISTRIBUTION				
Federal Funds	0	125,000	125,000	125,000
Legal Defense and Defender Fund	22,117	50,000	25,000	25,000
TOTAL				
General Revenue Fund	36,422,010	41,497,581	67,291,728	40,497,581
Federal Funds	0	125,000	125,000	125,000
Legal Defense and Defender Fund	1,282,644	2,985,943	2,985,943	2,985,943
Total Full-time Equivalent Employees	581.17	597.13	1,031.63	597.13
General Revenue Fund	579.27	595.13	1,029.63	595.13
Other Funds	1.90	2.00	2.00	2.00

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$43.6 million for the State Public Defender.

The Office of the State Public Defender seeks to fulfill the constitutional guarantee of legal counsel in Missouri state courts for indigent persons accused or convicted of criminal offenses. The system also provides civil commitment defense representation under Missouri's sexually violent predator laws.

Fiscal Year 2018 Governor's Recommendations

- (\$1,000,000) core reduction from the Fiscal Year 2017 appropriation level.

GENERAL ASSEMBLY

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Expenses of the Senate	\$ 10,768,937	\$ 12,268,058	\$ 12,268,058	\$ 12,268,058
Expenses of the House of Representatives	19,726,332	21,406,151	21,406,151	21,406,151
Interstate Organizations	240,000	240,000	240,000	240,000
Committee on Legislative Research	1,277,156	2,314,493	2,314,493	1,664,493
Joint Committees of the General Assembly	324,190	700,349	700,349	385,349
TOTAL	\$ 32,336,615	\$ 36,929,051 *	\$ 36,929,051	\$ 35,964,051
General Revenue Fund	32,227,642	36,633,312	36,633,312	35,593,312
House of Representatives Revolving Fund	9,666	45,000	45,000	45,000
Senate Revolving Fund	0	40,000	40,000	40,000
Statutory Revision Fund	99,307	210,739	210,739	285,739
Total Full-time Equivalent Employees	613.43	689.17	689.17	687.17
General Revenue Fund	612.16	687.92	687.92	685.92
Other Funds	1.27	1.25	1.25	1.25

* Does not include \$450,000 recommended in the Fiscal Year 2017 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the General Assembly supplemental appropriations.

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$36 million for the General Assembly. Article III of the Missouri Constitution provides for the legislative branch of Missouri state government, consisting of the House of Representatives and Senate. The Senate is comprised of 34 members elected for four-year terms. The House is comprised of 163 members elected for two-year terms.

**GENERAL ASSEMBLY
SENATE**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Salaries of Members	\$ 1,166,401	\$ 1,226,610	\$ 1,226,610
Mileage of Members	60,096	87,406	87,406
Per Diem of Members	226,100	226,100	226,100
Senate Contingent Expenses	9,212,211	10,502,942	10,502,942
Joint Contingent Expenses	104,129	225,000	225,000
TOTAL	\$ 10,768,937	\$ 12,268,058	\$ 12,268,058
General Revenue Fund	10,768,937	12,228,058	12,228,058
Senate Revolving Fund	0	40,000	40,000
Total Full-time Equivalent Employees	185.54	220.54	220.54
General Revenue Fund	185.54	220.54	220.54

The budget of the Senate includes funding for members' statutory salaries, staff support, interim committee expenses, and travel expense reimbursements, including lodging, meals, and mileage.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Salaries of Members	\$ 5,794,929	\$ 5,861,145	\$ 5,861,145
Mileage of Members	307,423	395,491	395,491
Per Diem of Members	1,247,504	1,290,960	1,290,960
Representatives' Expense Vouchers	1,100,100	1,370,691	1,370,691
House Contingent Expenses	11,266,710	12,442,864	12,442,864
House of Representatives Revolving Fund	9,666	45,000	45,000
TOTAL	\$ 19,726,332	\$ 21,406,151	\$ 21,406,151
General Revenue Fund	19,716,666	21,361,151	21,361,151
House of Representatives Revolving Fund	9,666	45,000	45,000
<hr/>			
Total Full-time Equivalent Employees	399.26	435.38	435.38
General Revenue Fund	399.26	435.38	435.38

The budget of the House includes funding for members' statutory salaries, staff support, interim committee expenses, and travel expense reimbursements, including lodging, meals, and mileage.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**GENERAL ASSEMBLY
INTERSTATE ORGANIZATIONS**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration			
TOTAL	\$ 240,000	\$ 240,000	\$ 240,000
EXPENSE AND EQUIPMENT			
General Revenue Fund	240,000	240,000	240,000
Total Full-time Equivalent Employees	0.00	0.00	0.00
General Revenue Fund	0.00	0.00	0.00

Missouri dues to the National Conference of State Legislatures are paid from these funds.

Fiscal Year 2018 Governor's Recommendations

Continue funding at the current level.

**GENERAL ASSEMBLY
COMMITTEE ON LEGISLATIVE RESEARCH**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Administration	\$ 544,995	\$ 660,790	\$ 560,790
Statute Publication	99,307	660,739	285,739
Oversight Division	632,854	992,964	817,964
TOTAL	\$ 1,277,156	\$ 2,314,493	\$ 1,664,493
General Revenue Fund	1,177,849	2,103,754	1,378,754
Statutory Revision Fund	99,307	210,739	285,739

Total Full-time Equivalent Employees	23.50	25.25	25.25
General Revenue Fund	22.23	24.00	24.00
Other Funds	1.27	1.25	1.25

Sections 23.010 through 23.190, RSMo, establish a permanent joint committee of the General Assembly. It is comprised of the chair of the Senate Appropriations Committee and nine other senators, and the chair of the House Budget Committee and nine other representatives. As outlined in Missouri statutes, the Committee on Legislative Research employs staff to perform the following services for the members of the General Assembly:

- Prepare the online and print versions of the Revised Statutes of Missouri for publication,
- Review all Truly Agreed to and Finally Passed legislation,
- Assign sections of drafted and passed legislation for placement in the statutes,
- Provide research and reference services on legislative issues,
- Prepare fiscal notes for legislation introduced in either house of the General Assembly,
- Conduct management and performance evaluations of state agencies,
- Make investigations into legislative and governmental institutions to aid the General Assembly, and
- Maintain a legislative library for a reference service to the General Assembly and public.

Fiscal Year 2018 Governor's Recommendations

- \$75,000 Statutory Revision Fund to publish annual supplements to the Revised Statutes of Missouri.
- (\$725,000) core reduction from the Fiscal Year 2017 appropriation level.

**GENERAL ASSEMBLY
JOINT COMMITTEES**

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	GOVERNOR RECOMMENDS FY 2018
Joint Committee on Administrative Rules	\$ 128,512	\$ 139,435	\$ 139,435
Joint Committee on Public Employee Retirement	128,502	169,669	169,669
Joint Committee on Education	67,176	76,245	76,245
Joint Committee on MoHealthNet	0	300,000	0
State Capitol Commission	0	15,000	0
TOTAL	\$ 324,190	\$ 700,349	\$ 385,349
General Revenue Fund	324,190	700,349	385,349

Total Full-time Equivalent Employees	5.13	8.00	6.00
General Revenue Fund	5.13	8.00	6.00

These are statutory committees comprised of members of the House and Senate.

Fiscal Year 2018 Governor's Recommendations

- (\$315,000) and (two) staff core reduction from the Fiscal Year 2017 appropriation level.

STATEWIDE REAL ESTATE

FINANCIAL SUMMARY

	FY 2016 EXPENDITURE	FY 2017 APPROPRIATION	FY 2018 REQUEST	GOVERNOR RECOMMENDS FY 2018
Department of Elementary & Secondary Education	\$ 7,463,514	\$ 7,866,180	\$ 7,948,853	\$ 7,949,821
Department of Higher Education	103,244	114,101	123,739	123,739
Department of Revenue	2,893,359	2,945,398	2,914,708	2,914,708
Office of Administration	3,081,691	3,899,987	3,505,931	3,505,931
Department of Agriculture	1,241,898	1,289,512	1,286,076	1,290,076
Department of Natural Resources	2,722,348	2,946,592	2,831,113	2,826,063
Department of Economic Development	3,266,553	3,792,277	3,933,757	3,916,081
Department of Insurance, Financial Institutions and Professional Registration	869,868	884,407	917,900	917,400
Department of Labor and Industrial Relations	1,736,074	1,770,909	1,814,489	1,878,441
Department of Public Safety	7,435,658	9,082,888	9,193,929	9,334,914
Department of Corrections	6,860,173	7,252,641	7,452,938	7,583,035
Department of Mental Health	23,023,204	24,383,354	23,718,272	23,718,272
Department of Health and Senior Services	5,168,604	5,276,397	5,216,549	5,283,415
Department of Social Services	23,860,894	25,039,056	25,546,908	25,545,908
Elected Officials	5,060,764	5,236,968	5,457,591	5,455,590
Judiciary	2,455,325	2,646,289	2,745,559	2,744,792
TOTAL	\$ 97,243,171	\$ 104,426,956	\$ 104,608,312	\$ 104,988,186
General Revenue Fund	67,826,736	71,905,898	71,905,898	72,094,095
Federal Funds	16,309,795	18,889,709	18,996,391	19,061,314
Other Funds	13,106,640	13,631,349	13,706,023	13,832,777

DEPARTMENT SUMMARY

The Fiscal Year 2018 budget provides \$105 million for Statewide Real Estate. The Office of Administration's Division of Facilities Management, Design and Construction (FMDC) oversees all leased facilities, state-owned facilities, and most institutional facilities. FMDC continues, as possible, to terminate leases and consolidate state agencies within state-owned space. FMDC has implemented several initiatives to reduce facilities costs, including extensive contract negotiations and energy reduction.

FMDC manages over 15 million square feet of facility space. The facilities house the following departments:

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

On behalf of the Department of Elementary and Secondary Education, FMDC oversees and manages 37 lease contracts, totaling over 197,000 square feet, with approximately 181,000 square feet within state-owned facilities, and approximately 1,139,000 square feet of institutional space.

Fiscal Year 2018 Governor's Recommendations

- \$85,968 transferred from the Department of Elementary and Secondary Education for additional leased space, including \$1,968 general revenue.
- \$215,311 reallocated from various departmental real estate budgets, including \$175,591 general revenue.
- (\$217,638) federal and other funds reallocated to various departmental real estate budgets.

DEPARTMENT OF HIGHER EDUCATION

On behalf of the Coordinating Board for Higher Education, FMDC oversees and manages approximately 20,000 square feet located within state-owned facilities.

Fiscal Year 2018 Governor's Recommendations

- \$9,638 reallocated from various departmental real estate budgets.

STATEWIDE REAL ESTATE

DEPARTMENT OF REVENUE

On behalf of the Department of Revenue and the Tax Commission, FMDC oversees and manages 12 lease contracts totaling over 24,000 square feet and approximately 282,000 square feet located within state-owned facilities. On behalf of the Lottery Commission, FMDC is responsible for the oversight and management of three lease contracts totaling over 26,300 square feet and approximately 62,400 square feet of institutional space.

Fiscal Year 2018 Governor's Recommendations

- (\$30,690) reallocated to various departmental real estate budgets, including (\$30,509) general revenue.

OFFICE OF ADMINISTRATION

On behalf of the Office of Administration, FMDC oversees and manages 22 lease contracts totaling over 103,000 square feet and approximately 490,000 square feet located within state-owned facilities. On behalf of the Ethics Commission, FMDC is responsible for the oversight and management of one lease contract for approximately 7,200 square feet of space.

Fiscal Year 2018 Governor's Recommendations

- \$57 reallocated from various departmental real estate budgets.
- (\$394,113) reallocated to various departmental real estate budgets, including (\$394,067) general revenue.

DEPARTMENT OF AGRICULTURE

On behalf of the Department of Agriculture, FMDC oversees and manages seven lease contracts totaling approximately 18,000 square feet, and approximately 64,000 square feet located within state-owned facilities.

Fiscal Year 2018 Governor's Recommendations

- \$7,000 Grain Inspection Fee Fund transferred from the Department of Agriculture for additional leased space.
- \$27,760 reallocated from various departmental real estate budgets, including \$12,443 general revenue.
- (\$34,196) federal and other funds reallocated to various departmental real estate budgets.

DEPARTMENT OF NATURAL RESOURCES

On behalf of the Department of Natural Resources, FMDC oversees and manages 24 lease contracts totaling over 140,500 square feet and approximately 181,500 square feet located within state-owned facilities.

Fiscal Year 2018 Governor's Recommendations

- \$1,489,678 federal and other funds reallocated from various departmental real estate budgets.
- (\$1,610,207) reallocated to various departmental real estate budgets, including (\$40,041) general revenue.

DEPARTMENT OF ECONOMIC DEVELOPMENT

On behalf of the Department of Economic Development, FMDC oversees and manages 31 lease contracts totaling over 183,000 square feet and approximately 181,500 square feet located within state-owned facilities.

Fiscal Year 2018 Governor's Recommendations

- \$143,342 reallocated from various departmental real estate budgets, including \$7,509 general revenue.
- (\$19,538) federal and other funds reallocated to various departmental real estate budgets.

STATEWIDE REAL ESTATE

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

On behalf of the Department of Insurance, Financial Institutions and Professional Registration, FMDC oversees and manages five lease contracts totaling approximately 6,000 square feet and approximately 124,000 square feet located within state-owned facilities.

Fiscal Year 2018 Governor's Recommendations

- \$35,982 other funds reallocated from various departmental real estate budgets.
- (\$2,989) other funds reallocated to various departmental real estate budgets.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

On behalf of the Department of Labor and Industrial Relations, FMDC oversees and manages 16 lease contracts totaling over 27,000 square feet and approximately 260,000 square feet located within state-owned facilities.

Fiscal Year 2018 Governor's Recommendations

- \$81,000 Workers' Compensation Fund transferred from the Department of Labor and Industrial Relations for additional leased space.
- \$59,084 federal and other funds reallocated from various departmental real estate budgets.
- (\$32,552) reallocated to various departmental real estate budgets, including (\$15,504) general revenue.

DEPARTMENT OF PUBLIC SAFETY

On behalf of the Department of Public Safety's Office of the Director, Veterans' Commission, Alcohol and Tobacco Control, Capitol Police, and Fire Safety, FMDC oversees and manages 30 lease contracts totaling approximately 25,000 square feet, approximately 61,000 square feet located within state-owned facilities, and approximately 1,000,000 square feet of institutional space.

In addition, on behalf of the Gaming Commission, FMDC oversees and manages two lease contracts for approximately 30,800 square feet and approximately 6,400 square feet located within state-owned facilities; on behalf of the Missouri State Highway Patrol, 131 lease contracts totaling approximately 97,000 square feet, approximately 15,000 square feet located within state-owned facilities, and approximately 531,000 square feet of institutional space; and on behalf of the Missouri Adjutant General, 11 lease contracts, totaling over 62,000 square feet of space.

Fiscal Year 2018 Governor's Recommendations

- \$110,100 Division of Alcohol and Tobacco Control Fund for district offices in Kansas City, St. Louis and Jefferson City.
- \$45,500 for the Missouri State Highway Patrol crime lab in Cape Girardeau.
- \$18,996 Veterans Commission Capital Improvement Trust Fund for leased space.
- \$5,071 federal and other funds transferred from the Department of Public Safety for additional leased space.
- \$173,762 reallocated from various departmental real estate budgets, including \$58,833 general revenue.
- (\$101,403) reallocated to various departmental real estate budgets, including (\$3,471) general revenue.

DEPARTMENT OF CORRECTIONS

On behalf of the Department of Corrections (DOC), FMDC oversees and manages 100 lease contracts totaling approximately 523,000 square feet, and approximately 102,000 square feet located within state-owned facilities.

Fiscal Year 2018 Governor's Recommendations

- \$140,729 for a Probation and Parole office in Jefferson City.
- \$200,297 reallocated from various departmental real estate budgets, including \$189,665 general revenue.
- (\$10,632) other funds reallocated to various departmental real estate budgets.

STATEWIDE REAL ESTATE

DEPARTMENT OF MENTAL HEALTH

On behalf of the Department of Mental Health, FMDC oversees and manages 15 lease contracts totaling approximately 85,000 square feet, approximately 121,000 square feet located within state-owned facilities, and approximately 3,900,000 square feet of institutional space.

Fiscal Year 2018 Governor's Recommendations

- \$1,483 other funds reallocated from various departmental real estate budgets.
- (\$666,565) reallocated to various departmental real estate budgets, including (\$665,100) general revenue.

DEPARTMENT OF HEALTH AND SENIOR SERVICES

On behalf of the Department of Health and Senior Services, FMDC oversees and manages 86 lease contracts totaling approximately 294,000 square feet, approximately 175,000 square feet located within state-owned facilities, and approximately 3,500 square feet of institutional space.

Fiscal Year 2018 Governor's Recommendations

- \$66,866 federal funds transferred from the Department of Health and Senior Services for additional leased space.
- \$3,167 reallocated from various departmental real estate budgets, including \$1,469 general revenue.
- (\$63,015) reallocated to various departmental real estate budgets, including (\$29,242) general revenue.

DEPARTMENT OF SOCIAL SERVICES

On behalf of the Department of Social Services, FMDC oversees and manages 166 lease contracts totaling over 1,129,000 square feet, approximately 766,000 square feet located within state-owned facilities, and approximately 536,000 square feet of institutional space.

Fiscal Year 2018 Governor's Recommendations

- \$508,876 reallocated from various departmental real estate budgets, including \$411,139 general revenue.
- (\$2,024) federal and other funds reallocated to various departmental real estate budgets.

ELECTED OFFICIALS

FMDC oversees and manages approximately 43,000 square feet located within state-owned facilities on behalf of the Governor's Office; approximately 5,000 square feet located within state-owned facilities on behalf of the Lt. Governor's Office; six lease contracts totaling approximately 99,000 square feet and approximately 172,000 square feet located within state-owned facilities on behalf of the Secretary of State; two parking lease contracts and approximately 27,000 square feet located within state-owned facilities on behalf of the State Auditor; approximately 27,000 square feet located within state-owned facilities on behalf of the State Treasurer's Office; 11 lease contracts totaling approximately 32,000 square feet and approximately 115,000 square feet located within state-owned facilities on behalf of the Attorney General; one storage lease and approximately 285,000 square feet located within state-owned facilities on behalf of the Missouri Legislature.

Fiscal Year 2018 Governor's Recommendations

- \$241,651 reallocated from various departmental real estate budgets, including \$223,701 general revenue.
- (\$23,029) reallocated to various departmental real estate budgets, including (\$12,549) general revenue.

JUDICIARY

On behalf of the Missouri State Judiciary, FMDC oversees and manages six lease contracts totaling over 132,000 square feet and approximately 46,000 square feet located within state-owned facilities.

Fiscal Year 2018 Governor's Recommendations

- \$100,438 reallocated from various departmental real estate budgets.
- (\$1,935) other funds reallocated to various departmental real estate budgets.

SUPPLEMENTAL APPROPRIATIONS

The Governor's recommendations for Fiscal Year 2017 Supplemental Appropriations include \$45,119,663 general revenue, \$129,162,678 federal funds, and \$71,061,506 other funds, for a total of \$245,343,847.

SUPPLEMENTAL RECOMMENDATIONS FISCAL YEAR 2017

	<u>GENERAL REVENUE</u>	<u>FEDERAL FUNDS</u>	<u>OTHER FUNDS</u>	<u>TOTAL</u>
Department of Elementary and Secondary Education	\$ 14,209,311	\$ 9,800,765	\$ 4,400,000	\$ 28,410,076
Department of Higher Education	1,014,700	0	0	1,014,700
Department of Revenue	217,562	0	4,810,546	5,028,108
Department of Transportation	0	8,700,000	10,700,000	19,400,000
Office of Administration	0	0	12,244	12,244
Department of Agriculture	0	0	175,465	175,465
Department of Labor and Industrial Relations	0	0	15,613	15,613
Department of Public Safety	0	120,000	0	120,000
Department of Corrections	953,446	0	0	953,446
Department of Mental Health	5,060,859	0	0	5,060,859
Department of Health and Senior Services	15,033,089	23,547,664	0	38,580,753
Department of Social Services	8,630,696	86,994,249	50,497,638	146,122,583
General Assembly	0	0	450,000	450,000
TOTAL	\$ 45,119,663	\$ 129,162,678	\$ 71,061,506	\$ 245,343,847

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION OFFICE OF SPECIAL EDUCATION FOUNDATION - EARLY CHILDHOOD SPECIAL EDUCATION

H.B. Sec. 14.005	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 141,879,435	\$ 0	\$ 7,245,634
Lottery Proceeds Fund	16,548,507	0	0
Early Childhood Development, Education and Care Fund	12,412,900	0	0
TOTAL	\$ 170,840,842	\$ 0	\$ 7,245,634

The Governor recommends \$7,245,634 for increased early childhood special education costs.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION FINANCIAL AND ADMINISTRATIVE SERVICES SCHOOL DISTRICT TRUST FUND

H.B. Sec. 14.010	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
School District Trust Fund	\$ 880,400,000	\$ 0	\$ 4,400,000

The Governor recommends \$4,400,000 for distribution to school districts based upon additional projected revenue.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION OFFICE OF QUALITY SCHOOLS TITLE I, PART A

H.B. Sec. 14.015	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
EXPENSE AND EQUIPMENT			
Federal Funds	\$ 40,000	\$ 0	\$ 0
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	249,960,000	7,800,000	7,800,000
TOTAL	\$ 250,000,000	\$ 7,800,000	\$ 7,800,000

The Governor recommends \$7,800,000 for distribution to school districts for Title I, Part A for improving student achievement.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION OFFICE OF ADULT LEARNING AND REHABILITATION SERVICES VOCATIONAL REHABILITATION GRANT

H.B. Sec. 14.020	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 13,589,689	\$ 0	\$ 0
Federal Funds	43,660,946	2,000,765	2,000,765
Lottery Proceeds Fund	1,400,000	0	0
TOTAL	\$ 58,650,635	\$ 2,000,765	\$ 2,000,765

The Governor recommends \$2,000,765 for pre-employment transition services for youth.

DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION OFFICE OF SPECIAL EDUCATION HIGH NEED FUND

H.B. Sec. 14.025	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 26,965,141	\$ 0	\$ 6,963,677
Lottery Proceeds Fund	19,590,000	0	0
TOTAL	\$ 46,555,141	\$ 0	\$ 6,963,677

The Governor recommends \$6,963,677 for reimbursing school districts for special education student costs that exceed three times the district's average daily attendance cost.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF HIGHER EDUCATION MISSOURI STUDENT GRANTS AND SCHOLARSHIPS ACADEMIC SCHOLARSHIP PROGRAM (BRIGHT FLIGHT)

H.B. Sec. 14.030	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
TRANSFER			
General Revenue Fund	\$ 16,176,666	\$ 1,500,000	\$ 1,014,700
State Institutions Gift Trust Fund	2,000,000	0	0
TOTAL	\$ 18,176,666	\$ 1,500,000	\$ 1,014,700

The Governor recommends \$1,014,700 for transfer to the Academic Scholarship Fund to ensure full awards can be made to all Academic Scholarship (Bright Flight) students scoring in the top three percent on the ACT or SAT.

DEPARTMENT OF HIGHER EDUCATION MISSOURI STUDENT GRANTS AND SCHOLARSHIPS ACADEMIC SCHOLARSHIP PROGRAM (BRIGHT FLIGHT)

H.B. Sec. 14.035	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
Academic Scholarship Fund	\$ 20,676,666	\$ 1,500,000	\$ 1,500,000

The Governor recommends \$1,500,000 to ensure full awards can be made to all Academic Scholarship (Bright Flight) students scoring in the top three percent on the ACT or SAT.

DEPARTMENT OF REVENUE AMENDMENT 3 TRANSFER

H.B. Sec. 14.040	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
TRANSFER			
General Revenue Fund	\$ 0	\$ 137,256	\$ 137,256

The Governor recommends \$137,256 for transfer to the State Highways and Transportation Department Fund for collection costs that exceeded the constitutional three percent limit.

DEPARTMENT OF REVENUE MOTOR VEHICLE AND DRIVER LICENSING VOTER IDENTIFICATION

H.B. Sec. 14.045	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PERSONAL SERVICE			
General Revenue Fund	\$ 0	\$ 0	\$ 5,513
EXPENSE AND EQUIPMENT			
General Revenue Fund	0	0	74,793
TOTAL	\$ 0	\$ 0	\$ 80,306

The Governor recommends \$80,306 to implement the provisions of HB 1631 (2016) related to voter identification.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF REVENUE PARKS SALES TAX TRANSFER

H.B. Sec. 14.050	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
TRANSFER Parks Sales Tax Fund	\$ 300,000	\$ 4,732	\$ 4,732E

The Governor recommends \$4,732 on an open-ended basis for transfer to the General Revenue Fund for collection costs.

DEPARTMENT OF REVENUE SOIL AND WATER SALES TAX TRANSFER

H.B. Sec. 14.055	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
TRANSFER Soil and Water Sales Tax Fund	\$ 300,000	\$ 4,732	\$ 4,732E

The Governor recommends \$4,732 on an open-ended basis for transfer to the General Revenue Fund for collection costs.

DEPARTMENT OF REVENUE MISSOURI STATE LOTTERY COMMISSION

H.B. Sec. 14.060	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
EXPENSE AND EQUIPMENT Lottery Enterprise Fund	\$ 24,871,477	\$ 3,310,546	\$ 4,810,546E

The Governor recommends \$4,810,546 on an open-ended basis for the vendor costs associated with increased ticket sales.

DEPARTMENT OF REVENUE MISSOURI STATE LOTTERY COMMISSION

H.B. Sec. 14.065	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
TRANSFER State Lottery Fund	\$ 56,794,241	\$ 8,579,260	\$ 10,079,260E

The Governor recommends \$10,079,260 on an open-ended basis for transfer to the Lottery Enterprise Fund to cover operating costs including employee benefits, leasing, capital improvements, and increased vendor expenses.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF TRANSPORTATION FLEET, FACILITIES AND INFORMATION SYSTEMS

H.B. Sec. 14.070	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PERSONAL SERVICE			
State Road Fund	\$ 14,320,329	\$ 0	\$ 0
EXPENSE AND EQUIPMENT			
State Road Fund	<u>61,000,000</u>	<u>10,600,000E</u>	<u>10,600,000E</u>
TOTAL	\$ 75,320,329	\$ 10,600,000	\$ 10,600,000

The Governor recommends \$10,600,000 on an open-ended basis for vehicle and equipment acquisitions and weigh station improvements.

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS MULTIMODAL REVOLVING LOAN

H.B. Sec. 14.075	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
State Transportation Assistance Revolving Fund	\$ 1,000,000	\$ 100,000	\$ 100,000

The Governor recommends \$100,000 for loan reimbursements.

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS IMPROVED PASSENGER RAIL

H.B. Sec. 14.080	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
Multimodal Operations Federal Fund	\$ 5,000,000	\$ 1,700,000	\$ 1,700,000

The Governor recommends \$1,700,000 for increased project costs for the construction of the west approach to the Merchant's Bridge in St. Louis.

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS IMPROVED PASSENGER RAIL

H.B. Sec. 14.085	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
TRANSFER			
Federal Funds	\$ 5,000,000	\$ 1,700,000	\$ 1,700,000

The Governor recommends \$1,700,000 for transfer to the Multimodal Operations Federal Fund for increased project costs related to construction of the west approach to the Merchant's Bridge in St. Louis.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS FEDERAL AVIATION BLOCK GRANT

H.B. Sec. 14.090	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PROGRAM SPECIFIC DISTRIBUTION

Multimodal Operations Federal Fund	\$ 30,000,000	\$ 5,000,000	\$ 5,000,000
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The Governor recommends \$5,000,000 for construction, capital improvements, or planning of publicly owned airfields, including land acquisition.

DEPARTMENT OF TRANSPORTATION MULTIMODAL OPERATIONS FEDERAL RAIL, PORT, AND FREIGHT ASSISTANCE

H.B. Sec. 14.095	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PROGRAM SPECIFIC DISTRIBUTION

Multimodal Operations Federal Fund	\$ 1,000,000	\$ 2,000,000	\$ 2,000,000
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The Governor recommends \$2,000,000 for Positive Train Control (PTC) system implementation.

OFFICE OF ADMINISTRATION GENERAL SERVICES SURPLUS PROPERTY SALES TRANSFER

H.B. Sec. 14.100	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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TRANSFER

Proceeds of Surplus Property Sales Fund	\$ 2,000,000	\$ 0	\$ 900,000E
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The Governor recommends \$900,000 on an open-ended basis for distribution to state agencies from state surplus property sales.

OFFICE OF ADMINISTRATION CHILDREN'S TRUST FUND

H.B. Sec. 14.105	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PERSONAL SERVICE

Children's Trust Fund	\$ 222,996	\$ 12,244	\$ 12,244
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The Governor recommends \$12,244 for a retirement payout.

SUPPLEMENTAL APPROPRIATIONS

OFFICE OF ADMINISTRATION

H.B. Sec. 14.110	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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TRANSFER

Tax Amnesty Fund	\$	0	\$	5,660,000	\$	5,800,000E
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The Governor recommends \$5,800,000 on an open-ended basis to transfer the remaining Tax Amnesty Fund balance to the General Revenue Fund.

DEPARTMENT OF AGRICULTURE GRAIN INSPECTION AND WAREHOUSING GRAIN INSPECTION SERVICES

H.B. Sec. 14.115	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PERSONAL SERVICE

Grain Inspection Fee Fund	\$	1,709,798	\$	175,465	\$	175,465
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EXPENSE AND EQUIPMENT

Grain Inspection Fee Fund		474,944		0		0
TOTAL	\$	2,184,742	\$	175,465	\$	175,465

The Governor recommends \$175,465 and 7.5 staff to provide adequate and timely grain inspection services.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS DIVISION OF EMPLOYMENT SECURITY PAYMENT OF LEGAL FEES

H.B. Sec. 14.120	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PERSONAL SERVICE

Special Employment Security Fund	\$	562,911	\$	0	\$	0
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EXPENSE AND EQUIPMENT

Special Employment Security Fund		6,500,000		15,613		15,613
TOTAL	\$	7,062,911	\$	15,613	\$	15,613

The Governor recommends \$15,613 for attorney fees.

DEPARTMENT OF PUBLIC SAFETY ADJUTANT GENERAL ADJUTANT GENERAL ADMINISTRATION

H.B. Sec. 14.125	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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EXPENSE AND EQUIPMENT

Federal Drug Seizure Fund	\$	120,000	\$	120,000	\$	120,000
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The Governor recommends \$120,000 to purchase Counter Drug Program drug identification devices.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF CORRECTIONS OFFICE OF THE DIRECTOR DNA RESTITUTION INCREASE

H.B. Sec. 14.130	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PROGRAM SPECIFIC DISTRIBUTION

General Revenue Fund	\$ 75,278	\$ 36,500	\$ 34,242
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The Governor recommends \$34,242 to pay restitution for an additional individual found innocent by DNA analysis.

DEPARTMENT OF CORRECTIONS OFFENDER REHABILITATIVE SERVICES OFFENDER HEALTH CARE INCREASE

H.B. Sec. 14.135	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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EXPENSE AND EQUIPMENT

General Revenue Fund	\$ 147,550,706	\$ 919,204	\$ 919,204
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The Governor recommends \$919,204 for increased inmate health care costs.

DEPARTMENT OF MENTAL HEALTH DEPARTMENT-WIDE OVERTIME

H.B. Sec. 14.140	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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PERSONAL SERVICE

General Revenue Fund	\$ 1,112,359	\$ 5,024,559	\$ 4,934,092
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The Governor recommends \$4,934,092 for increased overtime costs.

DEPARTMENT OF MENTAL HEALTH OFFICE OF DIRECTOR TRANSFER TO GENERAL REVENUE

H.B. Sec. 14.145	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
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TRANSFER

Federal Funds	\$ 1,550,000	\$ 0	\$ 21,400,000
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The Governor recommends \$21,400,000 to increase non-count appropriation authority to support additional transfers to general revenue.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF MENTAL HEALTH DIVISION OF BEHAVIORAL HEALTH SEX OFFENDER REHABILITATION AND TREATMENT SERVICES (SORTS)

H.B. Sec. 14.150	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PERSONAL SERVICE			
General Revenue Fund	\$ 15,411,226	\$ 0	\$ 0
Department of Mental Health Federal Fund	28,831	0	0
EXPENSE AND EQUIPMENT			
General Revenue Fund	3,912,155	126,767	126,767
TOTAL	\$ 19,352,212	\$ 126,767	\$ 126,767

The Governor recommends \$126,767 and 5.5 staff to open an eight-bed residential group home at the Southeast Missouri Mental Health Center - Sex Offender Rehabilitation and Treatment Services program.

DEPARTMENT OF HEALTH AND SENIOR SERVICES DIVISION OF SENIOR AND DISABILITY SERVICES MEDICAID HOME AND COMMUNITY BASED SERVICES

H.B. Sec. 14.155	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 316,949,858	\$ 12,334,208	\$ 15,033,089
DHSS-Federal and Other Fund	547,283,887	18,907,045	23,547,664
TOTAL	\$ 864,233,745	\$ 31,241,253	\$ 38,580,753

The Governor recommends \$38,580,753 for the Medicaid Home and Community Based Services Program.

DEPARTMENT OF SOCIAL SERVICES CHILDREN'S DIVISION FOSTER CARE AND RESIDENTIAL TREATMENT SERVICES

H.B. Sec. 14.160	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 84,144,917	\$ 5,918,940	\$ 4,025,893
Federal Funds	51,310,443	4,639,524	3,117,808
TOTAL	\$ 135,455,360	\$ 10,558,464	\$ 7,143,701

The Governor recommends \$7,143,701 to provide foster care and residential treatment services for children in the care and custody of the Children's Division.

SUPPLEMENTAL APPROPRIATIONS**DEPARTMENT OF SOCIAL SERVICES
CHILDREN'S DIVISION
ADOPTION / GUARDIANSHIP SUBSIDIES**

H.B. Sec. 14.165	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 61,313,011	\$ 3,927,401	\$ 4,604,803
Federal Funds	23,145,967	639,344	749,619
TOTAL	\$ 84,458,978	\$ 4,566,745	\$ 5,354,422

The Governor recommends \$5,354,422 to provide Adoption / Guardianship payments for children in the care and custody of the Children's Division.

**DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION
PHARMACY**

H.B. Sec. 14.170	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 120,721,992	\$ 0	\$ 0
Federal Funds	1,004,528,298	0	0
Pharmacy Rebates Fund	234,126,451	27,100,000	27,100,000
Third Party Liability Collections Fund	4,217,574	0	0
Pharmacy Reimbursement Allowance Fund	61,745,023	0	0
Health Initiatives Fund	3,543,350	0	0
Premium Fund	3,800,000	0	0
Life Sciences Research Trust Fund	10,556,250	0	0
TOTAL	\$ 1,443,238,938	\$ 27,100,000	\$ 27,100,000

The Governor recommends \$27,100,000 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

**DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET DIVISION
MISSOURI RX PLAN**

H.B. Sec. 14.170	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 18,602,844	\$ 0	\$ 0
Federal Funds	728,077	0	0
Missouri Rx Plan Fund	4,655,326	0	1,000,000
TOTAL	\$ 23,986,247	\$ 0	\$ 1,000,000

The Governor recommends \$1,000,000 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION PHYSICIAN SERVICES

H.B. Sec. 14.175	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 137,342,933	\$ 3,239,587	\$ 0
Federal Funds	274,647,956	36,050,295	30,707,319
Pharmacy Reimbursement Allowance Fund	10,000	0	0
Health Initiatives Fund	1,427,081	0	2,000,000
Healthy Families Trust Fund	11,825,877	0	0
TOTAL	\$ 425,253,847	\$ 39,289,882	\$ 32,707,319

The Governor recommends \$32,707,319 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION DENTAL SERVICES

H.B. Sec. 14.180	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 4,346,912	\$ 1,228,033	\$ 0
Federal Funds	9,505,328	824,484	672,875
Health Initiatives Fund	71,162	0	0
Healthy Families Trust Fund	848,773	0	866,467
TOTAL	\$ 14,772,175	\$ 2,052,517	\$ 1,539,342

The Governor recommends \$1,539,342 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION NURSING FACILITIES

H.B. Sec. 14.185	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 152,890,618	\$ 597,992	\$ 0
Federal Funds	391,168,231	1,365,631	2,500,384
Uncompensated Care Fund	58,516,478	0	0
Nursing Facility Reimbursement Allowance Fund	9,134,756	0	0
Healthy Families Trust Fund	17,973	0	1,011,685
Third Party Liability Collections Fund	6,992,981	0	0
TOTAL	\$ 618,721,037	\$ 1,963,623	\$ 3,512,069

The Governor recommends \$3,512,069 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION REHABILITATION AND SPECIALTY SERVICES

H.B. Sec. 14.190	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 79,680,604	\$ 1,218,879	\$ 0
Federal Funds	154,077,917	1,764,105	1,783,189
Nursing Facility Reimbursement Allowance Fund	1,414,043	0	0
Health Initiatives Fund	194,881	0	0
Healthy Families Trust Fund	831,745	0	2,900,024
Ambulance Service Reimbursement Allowance Fund	22,808,960	0	0
TOTAL	\$ 259,008,150	\$ 2,982,984	\$ 4,683,213

The Governor recommends \$4,683,213 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION HOSPITAL CARE

H.B. Sec. 14.195	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 35,423,431	\$ 2,442,432	\$ 0
Federal Funds	350,286,343	27,733,447	41,312,786
Federal Reimbursement Allowance Fund	177,385,755	0	0
Health Initiatives Fund	0	0	1,403,792
Pharmacy Reimbursement Allowance Fund	15,709	0	0
Life Sciences Research Trust Fund	0	0	3,526,746
Healthy Families Trust Fund	0	0	3,840,949
TOTAL	\$ 563,111,238	\$ 30,175,879	\$ 50,084,273

The Governor recommends \$50,084,273 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION FEDERALLY QUALIFIED HEALTH CENTERS (FQHC) DISTRIBUTION

H.B. Sec. 14.200	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 5,183,830	\$ 0	\$ 0
Federal Funds	7,759,115	0	0
Healthy Families Trust Fund	0	0	57,881
TOTAL	\$ 12,942,945	\$ 0	\$ 57,881

The Governor recommends \$57,881 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

SUPPLEMENTAL APPROPRIATIONS

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION

H.B. Sec. 14.205	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	\$ 221,900,719	\$ 10,349,554	\$ 10,349,554
Department of Social Services Intergovernmental Transfer Fund	128,526,012	6,545,587	6,545,587
TOTAL	\$ 350,426,731	\$ 16,895,141	\$ 16,895,141

The Governor recommends \$16,895,141 for increased Department of Mental Health payments through the Department of Mental Health Intergovernmental Transfer.

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION SHOW-ME HEALTHY BABIES

H.B. Sec. 14.210	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 3,481,466	\$ 1,425,084	\$ 0
Federal Funds	10,116,324	4,037,410	6,150,269
Healthy Families Trust Fund	0	0	2,164,314
TOTAL	\$ 13,597,790	\$ 5,462,494	\$ 8,314,583

The Governor recommends \$8,314,583 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION NURSING FACILITIES FEDERAL REIMBURSEMENT ALLOWANCE (NFFRA) PAYMENTS

H.B. Sec. 14.215	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
Nursing Facility Reimbursement Allowance Fund	\$ 325,332,526	\$ 3,455,274	\$ 3,710,158

The Governor recommends \$3,710,158 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

DEPARTMENT OF SOCIAL SERVICES MO HEALTHNET DIVISION BLIND PENSION MEDICAL

H.B. Sec. 14.220	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	\$ 25,668,198	\$ 1,101,721	\$ 0
Federal Funds	1,004,600	0	0
Health Initiatives Fund	0	0	915,622
TOTAL	\$ 26,672,798	\$ 1,101,721	\$ 915,622

The Governor recommends \$915,622 for additional funding necessary to operate MO HealthNet programs for Fiscal Year 2017.

SUPPLEMENTAL APPROPRIATIONS

SECRETARY OF STATE ELECTIONS SPECIAL ELECTION COSTS

H.B. Sec. 14.225	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PROGRAM SPECIFIC DISTRIBUTION			
State Election Subsidy Fund	\$ 400,000	\$ 307,977	\$ 307,977E

The Governor recommends \$307,977 on an open-ended basis to reimburse local election authorities for special election costs.

GENERAL ASSEMBLY JOINT COMMITTEE ON LEGISLATIVE RESEARCH

H.B. Sec. 14.230	ORIGINAL APPROPRIATION	CURRENT REQUEST	GOVERNOR RECOMMENDS
PERSONAL SERVICE			
Statutory Revision Fund	\$ 88,449	\$ 0	\$ 0
EXPENSE AND EQUIPMENT			
General Revenue Fund	450,000	0	0
Statutory Revision Fund	<u>122,290</u>	<u>0</u>	<u>450,000</u>
TOTAL	\$ 660,739	\$ 0	\$ 450,000

The Governor recommends \$450,000 to republish the Missouri Revised Statutes.

CAPITAL IMPROVEMENTS

FISCAL YEAR 2018-2019 CAPITAL IMPROVEMENTS SUMMARY

FIRST YEAR OF BIENNIUM	GENERAL REVENUE	FEDERAL FUNDS	OTHER FUNDS	TOTAL
Department of Elementary and Secondary Education				
Missouri School for the Blind Facilities	\$ 0	\$ 0	\$ 1,500,000	\$ 1,500,000
Office of Administration				
Statewide Maintenance and Repair	82,400,000	0	0	82,400,000
Department of Natural Resources				
State Parks and Historic Property Preservation	0	1,000,000	9,960,000	10,960,000
Department of Conservation				
Statewide Construction	0	0	30,000,000	30,000,000
Department of Public Safety				
Missouri State Highway Patrol Facilities	0	0	1,430,620	1,430,620
Missouri Veterans' Commission Facilities	0	0	40,976,237	40,976,237
National Guard Facilities	0	20,000,000	0	20,000,000
Department of Labor and Industrial Relations				
Statewide Maintenance and Repair	0	0	600,000	600,000
Department of Social Services				
Statewide Maintenance and Repair	0	400,000	0	400,000
Delmina Woods Fire System	0	0	250,000	250,000
TOTAL	\$ 82,400,000	\$ 21,400,000	\$ 84,716,857	\$ 188,516,857

SECOND YEAR OF BIENNIUM	GENERAL REVENUE	FEDERAL FUNDS	OTHER FUNDS	TOTAL
Department of Elementary and Secondary Education				
Missouri School for the Blind Facilities	\$ 0	\$ 0	\$ 1,000,000	\$ 1,000,000
Office of Administration				
Statewide Maintenance and Repair	82,400,000	0	0	82,400,000
Department of Natural Resources				
State Parks and Historic Property Preservation	0	1,000,000	10,010,000	11,010,000
Department of Conservation				
Statewide Construction	0	0	30,000,000	30,000,000
Department of Public Safety				
Missouri State Highway Patrol Facilities	0	0	2,078,641	2,078,641
National Guard Facilities	0	20,000,000	0	20,000,000
TOTAL	\$ 82,400,000	\$ 21,000,000	\$ 43,088,641	\$ 146,488,641

The State of Missouri provides essential services through many state owned and operated facilities. Good stewardship of state property requires facility upkeep. Governor Greitens recommends \$335 million in funding for the Fiscal Year 2018-2019 biennium for various projects statewide, including constructing a fire sprinkler water system at the Delmina Woods Youth Center for the Department of Social Services, improvements at state parks, renovations at Missouri State Highway Patrol facilities, improvements at conservation areas statewide, improvements at Missouri National Guard facilities, and various capital improvement projects at Missouri Veterans' Homes.

MISSOURI SCHOOL FOR THE BLIND MAINTENANCE AND REPAIR

- \$2,500,000 School for the Blind Trust Fund for repairs, replacements, and improvements at the Missouri School for the Blind in St. Louis.

STATEWIDE MAINTENANCE AND REPAIR

- \$164,800,000 for the constitutionally required transfer to the Facilities Maintenance Reserve Fund. This funding will pay for emergency requirements, operational maintenance and repair, bond payments, critical maintenance and repair, and unexpected maintenance and repair projects that occur during the biennium.

CAPITAL IMPROVEMENTS

STATE PARKS AND HISTORIC PROPERTY PRESERVATION

- \$21,970,000 federal and other funds for statewide capital improvements and historic preservation projects for the state park system, including but not limited to, interpretive exhibits, land acquisitions, water and wastewater improvements, catastrophic contingency responses, repairs to roadways, parking areas and trails, and preservation of historic properties.

DEPARTMENT OF CONSERVATION STATEWIDE CONSTRUCTION

- \$60,000,000 Conservation Commission Fund for major repairs, renovations, improvements, and development projects at water accesses, lakes, roads, hatcheries, nature centers, and other conservation areas.

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS STATEWIDE MAINTENANCE AND REPAIR

- \$600,000 other funds for unexpected critical repairs and replacements during the biennium at Department of Labor and Industrial Relations facilities statewide.

MISSOURI STATE HIGHWAY PATROL FACILITIES STATEWIDE MAINTENANCE AND REPAIR

- \$3,509,261 State Highways and Transportation Department Fund for repairs, replacements, and improvements at Highway Patrol facilities statewide. Projects may include, but are not limited to, exterior building repairs, replacement of radio towers, LED lighting, sewer lines, and roofs.

MISSOURI VETERANS COMMISSION FACILITIES STATEWIDE CAPITAL IMPROVEMENTS

- \$40,976,237 Veterans Commission Capital Improvement Trust Fund for maintenance, renovations, upgrades and construction at veterans' homes and facilities statewide. Projects may include, but are not limited to, addressing accessibility and energy efficiency issues, and other repairs and renovations.

NATIONAL GUARD FACILITIES STATEWIDE CAPITAL IMPROVEMENTS

- \$40,000,000 federal funds for maintenance, repair, and new construction at National Guard facilities statewide.

DEPARTMENT OF SOCIAL SERVICES FACILITIES

- \$400,000 federal funds for maintenance, renovations, and unexpected critical repairs and replacements at Department of Social Services facilities statewide.
- \$250,000 Department of Social Services Educational Improvement Fund to construct a new fire sprinkler system at the Delmina Woods Youth Center.